The House met at 10 a.m.

Mr. BOOZMAN led the Pledge of Allegiance as follows:

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

Mr. BOOZMAN led the Pledge of Allegiance as follows:

The reverend Dr. Richard LaPehn, Pastor, Milton Presbyterian Church, Rittman, OH, offered the following prayer:

Almighty God, we pray for our Nation and her leaders. Forgive us for allowing unworthy dreams to be focused upon by many. Lord, do not let worthy dreams be muted by limited horizons. May our hope for an improved tomorrow never be dulled by the habits of today nor visionary words be dimmed by contentment with the present. Within this House, may our elected leaders recognize the dangerous temptation to speak merely colorless sentiments that will not result in lasting goodness, justice, or peace. Without fear of political ostracism or ridicule, may our leaders speak prophetic words of truth to benefit our lives and those of generations to come.

We praise You, our God, for the blessings of life in this Nation, where our representative democracy allows both shrill and faint voices to be heard. Grant wisdom to our leaders as they chart a course for our future. May they dare to entertain valiant dreams for the betterment of their district and State, for the blessing of our Nation and world. Amen.

The SPEAKER. The Chair has examined the Journal of the last day’s proceedings and announces to the House his approval thereof.

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

Pledge of Allegiance

The SPEAKER. Will the gentleman from Arkansas (Mr. BOOZMAN) come forward and lead the House in the Pledge of Allegiance.

Mr. BOOZMAN led the Pledge of Allegiance as follows:

WELCOMING THE REVEREND DR. RICHARD LAPEHN

Mr. REGULA. Mr. Speaker, our chaplain today is the Reverend Dr. Richard LaPehn. He is a member of one of the first families of Ohio, tracing his heritage prior to 1800. And Ohio became a State, of course, in 1803. His parents, Donald and Rebecca, are both natives of Iowa, veterans of World War II, and after a career as a CPA and a homemaker, respectively, now live in Florida. His wife, Laura Miles LaPehn, is a national board certified teacher employed as an educator in Barberton, OH. Mrs. LaPehn is the daughter of Carl and Sharon Miles, a retired engineering executive and his wife a homemaker who both reside in Indianapolis, IN. Richard and Laura are the proud parents of two daughters, Samantha and Allison. Fortunately, the family is in the gallery today.

Reverend Dr. LaPehn serves as pastor to the very kind and caring members of the Milton Presbyterian Church. In addition, he serves the growing city of Rittman, OH, which, of course, is in the 16th District, as a member of the city council. That is kind of unusual for a pastor of a church to also be a member of a city council.

It is my pleasure today to welcome our guest chaplain to the House.

TEACHER TAX RELIEF ACT

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

Mr. Speaker, I rise today as a cosponsor of the Teacher Tax Relief Act authored by my good colleague and friend the gentlemen from Michigan (Mr. CAMP), I thank the gentleman for his leadership and strongly urge my colleagues to join us in cosponsoring this important effort to expand and make permanent the teacher tax deduction set to expire at the end of this year.

America’s teachers are depending on Congress to quickly pass this bill into law, and we must answer their call. Day in and day out, our teachers in New York’s Hudson Valley spend remarkable time, energy and, yes, money from their own pocket to develop innovative and successful ways to motivate their students to learn. They are spending hundreds of dollars from their own paychecks to buy classroom supplies and learning materials ranging from pens and pencils to computer software programs. When teachers take such great initiative in their teaching methods, they should not be taxed on the money they are putting back into our classrooms to help our children learn.

As a former teacher myself, I urge this House to quickly pass the Teacher Tax Relief Act. Let us show our teachers we are behind their efforts to improve our classrooms. Do not leave our teachers in the lurch. Let us make sure our teacher tax deduction is permanently in place before our teachers start preparing for their new classes this fall.

TRIBUTE TO THE LATE CORPORAL CHAD MAYNARD

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

Mr. SALAZAR. Mr. Speaker, I stand here today to pay tribute and recognize Corporal Chad Maynard. Corporal Maynard was killed in the line of duty
while serving his country in Iraq. Each day, men and women in the Armed Forces face danger in the hope of bringing peace and prosperity to those in need. We must not forget the individual stories of these soldiers who have served our country with courage and honor. Chad Maynard worked from Montrose, CO. All his life he wanted to follow in his father’s and brother’s footsteps and serve in the Marines. He volunteered to serve in the Marines and was proud to wear our Nation’s uniform. He was the pride of the ROC and the local community. We should honor his dedication and courage and leadership.

He was a good man, a strong and courageous man. He was everything a soldier should be. He was the kind of person that boosted our pride in being an American. On Wednesday, June 15, 2005, Corporal Chad Maynard was killed in Ramadi, Iraq. Chad Maynard made the ultimate sacrifice for his country.

My thoughts turn to Chad’s parents Gene and Cindy, his brothers Jacob and Jeremiah and his sister Breanne. And to his wife Becky and their yet unborn child. I offer these words of condolence. Your courage in this time of hardship humbles us. We will not forget your sacrifice.

Mr. Speaker, I submit this recognition to the United States House of Representatives in honor of their sacrifice so that Chad Maynard may live on in memory.

IN MEMORY OF JAKE PICKLE

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

Mr. DELAY. What a good man he was, Mr. Speaker. What a friend, what a gentleman, what a servant. James Jarrell Pickle was born on October 11, 1913, the son of a grocer and his schoolteacher, who lived in Austin, TX. J.J. Pickle represents the values of hardworking farmers, ranchers, and the local community. We should honor his dedication and courage and leadership.

He was a good man, a strong and courageous man. He was everything a soldier should be. He was the kind of person that boosted our pride in being an American. On Wednesday, June 15, 2005, Corporal Chad Maynard was killed in Ramadi, Iraq. Chad Maynard made the ultimate sacrifice for his country.

My thoughts turn to Chad’s parents Gene and Cindy, his brothers Jacob and Jeremiah and his sister Breanne. And to his wife Becky and their yet unborn child. I offer these words of condolence. Your courage in this time of hardship humbles us. We will not forget your sacrifice.

Mr. Speaker, I submit this recognition to the United States House of Representatives in honor of their sacrifice so that Chad Maynard may live on in memory.

SOCIAL SECURITY

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

Mr. ETHERIDGE. Mr. Speaker, I rise today to speak about the President’s Social Security plan. Social Security represents the working-class communities that Americans in small towns across this country hold dear. It is the fulfillment of our Nation’s promise that if you work hard and follow the rules, you will be rewarded for your lifetime of work with a secure retirement.

Today, Social Security keeps 50 percent of seniors out of poverty. No politicians should be allowed to take away the retirement benefits that workers in rural America have earned through Social Security. As a part-time farmer myself, I know how much rural families rely on Social Security. Farm families have tight budgets, even in good years, and most do not have access to employer retirement accounts such as 401(k) plans. Instead of standing up for our rural communities and values, the President’s Social Security plan cuts benefits and jeopardizes the most important safety net in rural areas for retirees, survivors and the disabled.

All of America needs to read the fine print on President Bush’s plan to privatize Social Security. Protecting the promise of Social Security is important to every worker, to every generation and to every family, especially to rural America.

THE 125TH ANNIVERSARY OF WIEDERKERR WINERY

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

Mr. BOOZMAN. Mr. Speaker, this year marks the 125th anniversary of the Wiederkehr Wine Cellars near Altus, AR. Many of my colleagues might be surprised to know that fine wine is being produced in this small western Arkansas town and, in fact, has been for the past 125 years. In 1880, Johann Andreas Wiederkehr emigrated from Switzerland to America, choosing a spot in the beautiful Ozark Mountains to plant the grapes, blackberries and persimmons that would make the blend for his first wines. He chose the spot in the Ozark Mountains to settle because the soil, climate and shape of the countryside closely matched the conditions that had led to some of Europe’s greatest wines.

One of the finest wineries in the country, the original cellars has been converted into the Weinkeller Restaurant, specializing in authentic dishes from the Wiederkehr family’s homeland of Switzerland. The cellars is listed in the National Register of Historic Places.

Mr. Speaker, I would like to congratulate the Wiederkehr family on this milestone. I encourage my colleagues to take a tour of Arkansas’ wine country on their next vacation.

SAVE SOCIAL SECURITY FIRST

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

Mr. EMANUEL. Mr. Speaker, recently some Senate Republicans have unveiled a proposal to dedicate the Social Security surplus to private accounts. Having worked in an administration that not only proposed saving Social Security first, but having dedicated the Social Security surplus funds to strengthening the system, I assume that this new idea has some concepts of how to pay back the $800 billion that has already been taken out of the surplus over the last 6 years. All of a sudden we have discovered we are going to dedicate the Social Security surplus to Social Security.

I welcome their new-found conviction, but I assume it also includes an idea of how to pay back the $800 billion that we have already diverted from the surplus already diverted from Social Security. What I did not read is how they are going to do that.

The Democratic position has been consistent since 1998: Save Social Security first. The President lacks a plan...
The next report says the following: that Iraqi rebels are refining bomb skills and pushing the G.I. toll even higher. Improvised explosive devices are now sufficiently sophisticated to destroy armored Humvees. That means our soldiers are more vulnerable and that casualty rates will go higher than ever.

It is time to bring our troops home. Support House Joint Resolution 55, a bipartisan bill to bring our troops home.

The left is content to criticize and demagogue, but Gitmo is a part of the war on terror. And as long as it stands, the soldiers there will be treated properly.

And why do we have our focus on priorities? Why does this majority have its priorities on priorities? Because we know funding the war on terror, keeping this homeland safe, preserving freedom, is the priority for this great Nation.

I commend the leadership for their good work. I look forward to the debate on this bill.

TRIBUTE TO THE LATE CONGRESSMAN JAKE PICKLE

Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise this morning to pay tribute to the late Congresswoman Jake Pickle, who will be funeralized today in Austin, TX. What a giant. What a leader.

He was committed to justice in this country and made a powerful vote when he voted for the 1964 Civil Rights Act. He made it out of conscience and passion and what was right.

And then I think what he thought was his greatest achievement because of his common touch, he helped fix Social Security in the right way, in a bipartisan manner, and had it to last for 40 and 50 years.

We are grateful for his life and my deepest sympathy to his family and friends. But all we can say today is farewell to our friend. We thank him for his service. We thank him for being a great patriot. We thank him for loving America and thank him for loving Texas.

WHY AN INDEPENDENT INVESTIGATION IS NEEDED

Ms. WATSON asked and was given permission to address the House for 1 minute.

Ms. WATSON. Mr. Speaker, last week the Iraqi Bureau Chief for Newsweek Magazine left Iraq after being there for 2 years and wrote one final report entitled “Good Intentions Gone Bad.” Rod Nordland said the turning point in the war was the Abu Ghraib scandal. grilled. Warrant wrote: The abuse of prisoners at Abu Ghraib alienated a broad swath of the Iraqi public. There is no evidence that all the mistreatment and
humiliation saved a single American life or led to the capture of any major terrorist.”

The abuse of detainees in U.S. custody has severely undermined our Nation’s position in the world. And yet congressional Republicans are still unwilling to conduct a fair and thorough investigation to determine what exactly is happening in these prisons.

How can we possibly regain our credibility in the world until we actually investigate the possibilities of abuse? We still do not know why these abuses took place.

RONNIE EARLE AND ETHICS

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

Mr. McHENRY. Mr. Speaker, I may be new to Washington politics. I may be new to this partisan game played here. But it appears to me there is more politics masquerading in legalese and ethics today.

The coordinated attack strategy by the Democrat leadership against our Republican leadership has been shown for what it is again. It is a political side show with partisanship as its base that is attempting to assassinate our good leaders on the Republican side rights.

Yesterday’s National Review reports that Ronnie Earle, the Texas prosecutor who is the designated hit man for the Democrats, has been indicting several companies over alleged campaign finance violations. But he dropped those charges when they would pay and make contributions to his pet projects, his pet causes. An end for those charges, those contributions, have been made. Dollars for dismissal, Mr. Speaker. Pay off the left-wing prosecutor with big donations to pretty pink projects, and they might get off the hook.

It turns out that the prosecutor has also been on a witch hunt against our leadership, and he has, in fact, appeared at Democrat fundraisers to brag about it. It is more Democrat side show politics, and that is what this is all about.

REPUBLICAN ABUSES OF POWER: REPUBLICANS DO NOT WANT ETHICS COMMITTEE TO MEET

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

Mr. BUTTERFIELD. Mr. Speaker, last week the gentleman from Texas (Mr. DeLAY), majority leader, blamed House Democrats for the fact that the Committee on Standards of Official Conduct has still been unable to hear the case against him. Mr. Speaker, House Democrats are trying to abide by the rules that this House passed at the beginning of the year. It is the Republicans and the chairman who refuse to follow the rules. They want to apply a partisan staff director to lead their efforts on the committee despite House rules that explicitly state staffers be nonpartisan professionals.

The Committee on Standards of Official Conduct is supposed to be a place where Members can get straight, unbiased, truthful guidance. How can Members who might have disagreements with the House leadership feel comfortable going to the committee for advice if they fear committee staff members are incapable of performing their official duties in a nonpartisan fashion?

I wonder, Mr. Speaker, why the Republicans want to appoint partisan staffers to the Committee on Standards of Official Conduct. Could it be that they like a partisan staffer in a room when decisions are made about certain Members of this House? We have to wonder.

SOCIAL SECURITY REFORM

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

Mr. PENCE. Mr. Speaker, Social Security reform is an idea whose time has come. And thanks to the leadership of President George W. Bush, we are engaged in a national conversation about addressing the long-term 21st century challenges that the Social Security system faces when some 40 million retirees become 80 million retirees.

The American people, candidly, Mr. Speaker, have not agreed on what the right thing to do is yet. But most of my constituents know that we ought to stop doing the wrong thing. It has simply been wrong these last 4 decades for the Congress of the United States to take the Social Security surplus and apply it to spending on big government.

We need to stop raiding the Social Security trust fund. Use those resources to give younger Americans voluntary personal savings accounts and that will begin the reform of this critical entitlement. Let us stop the raid on the Social Security trust funds. Let us give younger Americans more choice. It is time to reform Social Security. Let the debate begin.

REALITY DISCONNECT

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute.)

Ms. SCHAKOWSKY. Mr. Speaker, at a time when the Bush administration continues to paint a rosy picture of the situation in Iraq, Congress should really be investigating why exactly the administration is misleading both the American public and Members of this institution.

While most Republicans in this Chamber continue to take the Bush administration’s rhetoric as fact, Republican Senator Chuck Hagel of Nebraska states in this week’s U.S. News and World Report: “The White House is completely disconnected from reality. It’s like they’re just making it up as they go along.”

This is a Republican Senator. It would be nice if other Republicans would follow suit. For some reason Republicans think they are supporting troops in Iraq if they remain silent about what is going on there. Are Republicans supporting our troops when they refuse to quash statements like that from Vice President Cheney that the Iraqi insurgents are in their “last throes”? Are Republicans supporting our troops when they refuse to support investigation into prisoner abuse scandals, scandals that many, including former Secretary of State Colin Powell, believe are harming both our reputation and our troops? Silence is not the best way to help our troops.

FALLEN HEROES CAMPAIGN

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

Mr. STEARNS. Mr. Speaker, I wish to praise the admirable actions of First Coast Energy Shell Corporation, a Jacksonville-based company from my congressional district. During the third annual Tribute to Heroes campaign, First Coast Energy Shell has pledged to raise $75,000 for the Intrepid Fallen Heroes Fund. This fund provides military families whose loved ones have been killed or wounded in Iraq or Afghanistan with financial and emotional support.

Beginning on Memorial Day and continuing through the Fourth of July, First Coast Energy Shell will donate a portion of all gasoline sales to this fund. I share in First Coast Energy’s belief that “the military is an important part of our community” and that we should all actively support and honor those heroes who have sacrificed so much for our country.

I am proud to represent such patriotic and generous constituents and strongly urge my fellow Members to visit www.fallenheroesfund.org to learn more about this very good campaign.

GREAT SOCIAL SECURITY PLAN

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

Mr. DeFAZIO. Mr. Speaker, well, I welcome the born again savors of Social Security on the Republican side of the aisle. They have been looting the program for years, and now they want to make it right.

The president this year will borrow $200 million from Social Security, money only extracted from people who work for wages and salary, and will transfer part of it to the wealthiest in
America, many of whom do not even pay Social Security tax. And he is replacing that money with these bonds. And now the President questions whether the government will honor these bonds with the full faith and credit of the Government of the United States.

So Republicans have a great new idea: Social Security will not hold the bonds anymore. They will issue them to individuals. Now, if we are not going to honor these bonds for all the people of America, that assurance do people have that those individual bonds will be honored, and the Republicans want to charge them a management fee and a so-called claw-back. So anybody that takes one of those individual bonds, if it is honored, is guaranteed to get less than they would under the existing system. Oh, that is a great plan, guys.

PROTECT THE FLAG

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

Mr. CUNNINGHAM. Mr. Speaker, let us talk about something positive that both Republicans and Democrats are going to do today and that is pass the flag protection amendment.

Sixteen years ago, a difference of one vote, the Supreme Court by one vote erased 200 years of tradition that our forefathers set to protect our flag. Who supports it? In May, 81 percent of the American people supported this amendment; 146, all the veterans organizations, many of them here today, first responders, police, fire, our military men and women; all 50 States have ratified resolutions saying that they will ratify when this amendment passes.

We have 300 signatures. This bill passed by 300 votes; and for the first time we have a chance, an opportunity to pass it in the Senate.

Some claim that it impinges on the First Amendment. It does not. There are some of my colleagues that will oppose this amendment. They are honorable men, but the supermajority oppose their position. Take a look and ask the men and women at Walter Reed or Bethesda, ask the police and fire that stood on top of the Trade Center and ask them and they will tell you. Help pass this amendment today.

INVESTIGATE GUANTANAMO BAY

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

Mr. McDERMOTT. Mr. Speaker, yesterday the House had an opportunity to see what really happened at Guantanamo Bay. If the Republicans are so sure that nothing bad happened there, why have not some hearings?

Now, they continued to be reassured by the White House. This is the White House that told them there were weap-

ons of mass destruction in Iraq. This is the administration that told them that the oil industry in Iraq would pay for all the reconstruction. We are now about $300 billion in. And this is the administration that last month said we are in the last throes of the insurgency.

If anybody on this floor ever served in the military, you know that what went on in Abu Ghraib and what goes on in Guantanamo did not start at the private and the corporal level. It started at the top. We do an investigation of the policy papers that were put out of the White House from the Attorney General who was then the President’s counsel and the general, General Sanchez, he just got promoted.

This is the guy in charge of Abu Ghraib. They put six or eight guys in jail, but he got a promotion. That needs an investigation.

VITAL WORK AT GUANTANAMO BAY

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

Mr. GINGREY. Mr. Speaker, I rise today in support of the vital work that takes place at Guantanamo Bay. To say, as a member of the Senate Democratic leadership recently did, that this base is similar to Nazi Germany or Pol Pot is not only deeply offensive but also wholly incorrect.

Mr. Speaker, I visited Guantanamo twice with the House Committee on Armed Services. Let me tell you what I observed there: new and up-to-date facilities that allows for the humane treatment of prisoners; prisoners being treated with dignity and in accordance with the Geneva Convention; detainees freely practicing their religious observances.

Mr. Speaker, the overwhelming majority of American troops are performing with honor. When someone throws around offensive slurs for the purpose of political posturing, they jeopardize the very safety of the men and women who protect us and add resolve to those terrorists who wish us harm. These slurs are a horrific disservice to the American people who are counting on us to stop terrorism from once again rearing its ugly head within our borders.

THREE-LEGGED STOOL

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

Mr. MELANCON. Mr. Speaker, we have all heard of the 3-legged stool that each of us should build when we are looking towards our retirement. Two of these legs, pensions and individual savings, are the responsibility of each individual and the employee.

Mr. Speaker, as events over the last month have shown, it is clear that the pension leg of the stool is being seriously undermined by companies who are striking their responsibilities to live up to the promises they made to their employees. The best example of this comes in the form of United Airlines who sold out its employees the first chance it got as a way to come out of bankruptcy.

Employees who have been promised $100,000 a year pensions will now have to settle for $45,000 a year, a dramatic cut in their promised benefits. That may still seem like a lot of money, but these employees and more, and they are not going to receive it.

Couple that with the giant market crash in 2000 when the stock market lost $9 billion. Mr. Speaker, there is no question that there is a lot of uncertainty right now, and maybe that is why Americans are so determined to keep one thing that is certain, that is Social Security from being privatized.

PATIENT CHOICE

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

Mr. PRICE of Georgia. Mr. Speaker, as a third-generation physician who has practiced medicine for over 20 years, I have seen colossal increases in health care costs. Unfortunately, they do not seem to be slowing down. Health care costs are rising much faster than one can imagine, and in just the last year they have gone up by 8 percent. Employers continue to pass these costs on to their employees in the form of increased deductibles and payments for prescriptions and care. Employees have no choice but to pay these costs because they are stuck with somebody else making decisions about their care.

It is time we start thinking about health care in a new way. It is time to put patients back in charge. Nobody knows better than the patients themselves what kind of health care they need.

Mr. Speaker, change in our health care system is needed now more than ever before, and health care should respond to the needs of patients. H. Res. 215, the Health Insurance Patient-Ownership Plan, puts health care choices back into the hands of patients where they should be. I urge my colleagues to support H. Res. 215.

TRADE DEFICIT

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

Mrs. MALONEY. Mr. Speaker, this Republican Congress may go down in history as the most fiscally irresponsible Congress in the history of this country. Our record budget deficit, our record debt, we have over $7.8 trillion in debt, and each citizen’s share is over $26,000. Last week we learned that our trade deficit set a new record, over $195 billion in the first 3 months of this
year. That is 6.4 percent of GDP on an annual basis, the largest trade deficit in the history of our country.

This Congress is not just raising the debt ceiling, and we have raised this debt ceiling three times recently, this Congress is shooting the Moon. It is totally out of control. And these irresponsible, wanton budget policies will be borne by our children and our grandchildren. Is that the legacy we want to leave?

GITMO MENU

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

Mr. KINGSTON. Mr. Speaker, let us look at the breakfast menu: pancakes with syrup, orange juice, butter and milk, or raisin bran cereal and milk, or a bagel and orange juice and butter. Then for lunch we have pita bread, hamburger, honey glazed chicken, and potatoes.

What am I talking about? Not the Days Inn, not the Hampton Inn, not the menu here at the Capitol; but I am talking about what prisoners will be eating today in Guantanamo Bay. This is where the Democrats say they are being subjected to cruel and unusual punishment.

I will go on with the dinner menu. We have cooked potatoes, seasoned lentils, pita bread, potato wedge, wheat bread, fresh fruit, cauliflower. I will kind of admit that making them eat cauliflower is a little bit tough on them, but we do not make them eat beets or broccoli on the other hand.

You have got also lemon pepper chicken, pasta beef, fried chicken, honey chicken, bayou chicken. This is today’s menu at Guantanamo Bay. There is where Democrats are saying we are being cruel and unusually mean to prisoners, prisoners of war, prisoners of terrorism, prisoners who because of their confirmed having another 9/11 attack on American soil. This is just one of the things they will not tell you about Guantanamo Bay.

SOME WAR ON TERRORISM

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

Mr. NADLER. Mr. Speaker, this morning’s New York Times reveals that a new classified assessment by the Central Intelligence Agency says Iraq may prove to be an even more effective training ground for Islamic extremists than Afghanistan was in al Qaeda’s early days because it is serving as a real-world laboratory for urban combat and that Iraq, since the American invasion of 2003, had assumed the role played by Afghanistan during the rise of al Qaeda and proved ground for Islamic extremists from Saudi Arabia and other Islamic countries.

Mr. Speaker, we know that there were no weapons of mass destruction in Iraq. We know there was no connection between Iraq and Osama bin Laden. We know the President deceived the American people on these subjects, got us into an unnecessary war, and has now created a dangerous zone in Iraq, a country that was no danger, no threat to the United States and now is a training ground for more al Qaeda extremists who will be more and more endangering to the United States in terrorism.

We have created a training ground. We have created a training ground for terrorists because of the President’s deception of American people. Some war on terrorism.

DETROIT PISTONS ARE ALIVE AND WELL

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

Mr. CONYERS. Mr. Speaker, this is not an insignificant matter I say to my colleagues.

It should be noted that the San Antonio Spurs have lost five games at home until last night, and I bring this to the attention of the gentleman from Texas (Mr. SMITH), my dear friend on the Committee on the Judiciary, that this is the first time that we have gone to seven games in 11 years, and no one has ever won their last two games in a national basketball championship on the road.

So it is with bated breath that I let everyone know that the Detroit Pistons are alive and well and, I think, up to this incredibly important athletic contest tomorrow night.

INDIVIDUAL TAX SIMPLIFICATION ACT OF 2005

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

Mr. NEAL of Massachusetts. Mr. Speaker, I have served in this House since 1988, and I have been on the Committee on Ways and Means since 1993. A lot has changed over this time, but one thing still seems to stay the same and that is the need to bring simplification to our Nation’s Tax Code.

The former chairman of the Committee on Ways and Means said he was going to rip the Tax Code out by its roots so that we could start over and create a new system that was far more simple. He was unsuccessful, as have been most reformers that I have seen in my time on this committee.

Year after year, the problem gets worse. It is so easy to call for simplification, but it is a lot harder to achieve it. Last week, I introduced H.R. 2950, the Individual Tax Simplification Act of 2005, which I have done now for 6 years in a row. It is an outstanding first step in achieving a simpler Tax Code.

My bill would eliminate, and listen to this, it would eliminate the alternative minimum tax in a revenue-neutral fashion. It would also take 200 lines from tax forms, schedules and worksheets and make capital gains much easier to calculate.

As I have indicated, this is 6 years now that we have offered this legislation, but every year that passes our Code grows more and more complex. We have an opportunity to do away with the alternative minimum tax.

CONSTITUTIONAL AMENDMENT TO PROHIBIT PHYSICAL DESECRATION OF THE FLAG OF THE UNITED STATES

Mr. SENSENBRENNER. Mr. Speaker, pursuant to House Resolution 330, I call up the joint resolution (H.J. Res. 10) proposing an amendment to the Constitution of the United States authorizing the Congress to prohibit the physical desecration of the flag of the United States, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to House Resolution 330, the joint resolution is considered read.

The text of H.J. Res. 10 is as follows:

H.J. RES. 10

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after the date of its submission for ratification:

"Article—

"The Congress shall have power to prohibit the physical desecration of the flag of the United States:"

The SPEAKER pro tempore. After 2 hours of debate on the joint resolution, it shall be in order to consider the amendment in the nature of a substitute printed in House Report 109-140, if offered by the gentleman from North Carolina (Mr. WATT) or his designee, which shall be considered read, and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

Pursuant to section 2 of the resolution, the Chair at any time may postpone further consideration of the joint resolution until a time designated by the Speaker.

The gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from New York (Mr. NADLER) each will control 1 hour.

Mr. NADLER. Mr. Speaker, I will control the time.

The SPEAKER pro tempore. Without objection, the gentleman from New
York (Mr. Nadler) will control the time of the gentleman from Michigan (Mr. Conyers).

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Wisconsin (Mr. Sensenbrenner). 

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material of H. R. 3100.

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

There was no objection.

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

Mr. Speaker, I rise today in support of House Joint Resolution 10, which would amend the Constitution to grant Congress the authority to prohibit the physical desecration of the American flag.

Mr. Speaker, the American flag represents the shared history and common future of all Americans and our collective commitment to the principles of the democracy enshrined in our Constitution. The flag flies prominently in times of peace, war, prosperity and crisis, reminding the world of our unflinching resolve to protect the freedom and dignity it symbolizes.

In the formative years of the Republic through contemporary times, the flag has rallied and sustained the spirit of the Nation. In World War II, it was carried on Normandy Beach by soldiers who liberated a continent from darkness, and raised on Iwo Jima to steel the resolve of embattled Marines. During the Cold War, it affirmed the universal values of human freedom and dignity for citizens of countries whose governments ignored both.

Following the attacks of September 11, 2001, the flag was unfurled at the Pentagon and raised from the rubble at Ground Zero to unify the spirit of a shaken Nation. Unique among all American symbols, the flag captures the pride and spirit of the American people and serves as an international symbol of freedom and opportunity.

For the first two centuries of our Constitution’s existence, it was permissible to protect America’s preeminent symbol of desecration. In 1989, the Federal Government and 48 States had exercised this authority. However, in the same year, a closely divided Supreme Court invalidated those laws by holding that burning an American flag as part of a political demonstration was protected by the First Amendment. The Congress quickly responded to this decision, but the following year in another 5 to 4 decision, the Court struck down the Federal Flag Protection Act in United States v. Eichman. Since 1990, 119 incidents of flag desecration have been reported, and the flag of the United States remains vulnerable.

Mr. Speaker, the framers of the Constitution recognized that there would be circumstances necessitating changes to the Constitution. Toward that end, they provided the people with an amendment process embodied in Article V of the Constitution. Founders recognized that the constitutional amendment process is absolutely vital to maintaining the democratic legitimacy upon which republican self-government rests. While our courts have upheld the Amendment Authority to interpret the Constitution, under our system of government, the American people should and must have the ultimate authority to amend it.

As a result, House Joint Resolution 10 does not upset the doctrine of judicial review. Rather, it utilizes a remedy envisioned by the founders to effectuate the will of the people. Moreover, House Joint Resolution 10 will not prohibit flag desecration. Rather, should the Congress amend the Constitution, it will enable Congress to enact legislation to establish boundaries within which such conduct may be prohibited.

The amendment process is one that should not be lightly undertaken. However, because of the narrowly divided Johnson and Eichman Supreme Court decisions, the constitutional amendment provides the only remaining option for the American people and their elected representatives to restore protection to our Nation’s preeminent symbol.

In December 1792, James Madison asked a question: “Who are the best keepers of the People’s Liberty?” While it might come as a surprise to some, he did not answer the Supreme Court. Rather, Mr. Madison answered, “The People themselves. The sacred trust can be nowhere so safe as in the hands most interested in preserving it.”

All 50 State legislatures have passed resolutions calling on Congress to pass a flag protection amendment, and polls demonstrate the overwhelming majorities of Americans have consistently supported a flag protection amendment.

Language identical to House Joint Resolution 10 has passed the House on four separate occasions. The Congress must act with bipartisan dispatch to ensure that this issue is returned to the hands of those most interested in preserving freedom, the people themselves.

Mr. Speaker, the flag of the United States is a critical part of America’s civic identity. Millions of Americans, including we as Members of Congress, pledge daily allegiance to the flag, and our National Anthem pays homage to it. America’s soldiers salute the flag of the United States in times of peace, and generations of America’s soldiers have fought and died for it in times of war.

I urge my colleagues to join me in supporting this important measure that provides this unique and sacred American symbol with the dignity and protection it deserves and demands. Pass the resolution.

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

Mr. NADLER. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. Conyers), the distinguished ranking member of the Subcommittee on Rules, for conducting such a dispositive examination of the rule and the substance of the measure that is before us today.

Today’s consideration of House Joint Resolution 10 will show whether we have the strength to remain true to our forefathers’ constitutional ideals and defend our citizens’ right to express themselves, even if we vehemently disagree with their method of expression. I have been thinking about this. I have never met anyone that supports burning the American flag. Very few Americans favor burning the flag as an expression of free speech. I personally deplore the desecration of the flag in any form, but I still remain strongly opposed to this resolution because this resolution goes against the ideals that the flag represents and elevates a symbol of freedom over freedom itself. If adopted, this resolution would represent for the first time in our Nation’s history that the people’s representatives in this body voted to alter the Bill of Rights to limit the freedom of speech.

While some may say that this resolution is not the end of our first amendment liberties, it is my fear that it may be the beginning. By limiting the scope of the first amendment’s free speech protections, we are setting a most dangerous precedent. If we open the door to criminalizing constitutionally protected expression related to the flag, which this is, it will be difficult to limit further efforts to censor such speech. Once we decide to limit freedom of speech, limitations on freedom of the press and freedom of religion may not be far behind.

It has been said that the true test of any Nation’s commitment to freedom of expression lies in its ability to protect unpopular expression, such as flag desecration. Justice Oliver Wendell Holmes wrote as far back in 1929, the Constitution protects not only freedom for the thought and expression we agree with, but “freedom for the thought we hate.”

This resolution is in response to two Supreme Court decisions, Texas v. Johnson in 1989 and the United States v. Eichman in 1990, two Supreme Court decisions in one bite. It is always
tempting for Congress to want to show the Supreme Court who is boss by amending the Constitution to outlaw flag-related expression.

I urge my colleagues to maintain the constitutional ideal of freedom and reject this resolution.

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

Mr. SENSENBRENNER. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. CUNNINGHAM), the author of the legislation.

Mr. CUNNINGHAM. Mr. Speaker, 200 years of tradition was wiped out 16 years ago. For 200 years our forefathers fought to protect the flag. All 50 States had resolutions to protect the flag prior to this, and since then all 50 States have passed resolutions that they will codify this vote.

I want to tell my friends on the other side of the aisle, some will oppose this amendment. Their opposition is honorable. They are my friends and they oppose this. But I would tell the gentleman that as of May, 81 percent of the American people oppose their arguments and their views.

The military, go out to Walter Reed and Bethesda and ask those men and women what they feel and they will tell you. All of the veterans organizations, and my colleague mentioned the veterans organizations are opposed to this. This is from the Citizen's Flag Alliance and list all of the veterans organizations that support this amendment, and I include that list for the record.

AMVETS (American Veterans).
African-American Women's Clergy Association.
Air Force Association.
Air Force Sergeants Association.
American GI Forum of the U.S.
American GI Forum of the U.S. Founding Chapter.
The American Legion.
American Legion Auxiliary.
American Legion Riders, Department of Virginia.
American Merchant Marine Veterans.
American War Mothers.
American Wholesale Flags.
Ancient Order of Hibernians, Association of the U.S. Army.
Baltic Women's Council.

Benevolent & Protective Order of the Elks.
Bunker Hill Monument Association, Inc.
Catholic Family Life Insurance.
Catholic War Veterans.
The Center for Civilian Internee Rights, Inc.
The Chosin Few.
Combat Veterans Association.
Croatian American Association.
Croatian Catholic Union.
Czech Catholic Union.
Czechoslovak Christian Democracy in the U.S.A.
Daughters of the American Colonists.
Drum Corps Associates.
Dust Off Association.
Eight & Forty (des Huit Chapeaux et Quarante Femmes).
Enlisted Association National Guard U.S. (EANGUS).
Family Research Council.
Fleet Reserve Association.
Forty & Eight (La Societe des Quarante Hommes et Huit Chevaux).
Fox Associates, Inc.
Gold Star Wives of America, Inc.
Grand Aero, Fraternal Order of Eagles.
Grand Lodge Fraternal Order of Police.
Grand Lodge of Masons of Oklahoma.
Great Council of Texas, Order of Red Men.
Hungarian Association.
Hungarian Reformed Federation of America.
Jewish War Veterans of the USA.
Just Marketing, Inc.
Knights of Columbus.
Korean American Association of Greater Washington.
Ladies Auxiliary of Veterans of World War I.
MBNA America.
Marine Corps League.
Marine Corps Mustang Association, Inc.
Marine Corps Reserve Officers Association.
Medal of Honor Recipients for the Flag.
Military Officers Association of Indiana,
MOAA (formally The Retired Officers Association of Indianapolis, TROA).
Military Order of the Purple Heart of the U.S.A.
The Military Order of the Foreign Wars.
Moose International.
National Alliance of Families for the Return of America’s Missing Servicemen.
National Association for Uniformed Services.
National Association of State Directors of Veterans Affairs, Inc. (NASDVA).
National Center for Public Policy Research.
National Defense Committee.
National 4th Infantry (IVY) Division Association.
National Federation of American Hungarians, Inc.
National Federation of State High School Associations.
National FFA (Future Farmers of America).
National Grange.
National Guard Association of the U.S.
National Officers Association (NOA).
National Organization of World War Nurses.
National Service Star Legion.
National Slovak Society of the United States.
National Sojourners. Inc.
National Society of the Daughters of the American Revolution.
National Society of the Sons of the American Revolution.
National Twenty & Four.
National Vietnam Gulf War Veterans.
Native Daughters of the Golden West.
Native Sons of the Golden West.
Navajo Code Talkers Association.
Naval Enlisted Reserve Association (NERA).
Navy League of the U.S.
Navy SEALs Veterans of America.
Non-Commissioned Officers Association.
PAC Pennsylvania Eastern Division.
Past National Commander’s Organization (PANCO).
Patrol Craft Sailors Association.
Polish American Congress.
Polish Army Veterans Association (S.W.A.P.).
Polish Falcons of America.
Polish Falcons of America—District II.
Polish Home Army.
Polish Legion of American Veterans.
U.S.A.
Polish Legion of American Veterans Ladies Auxiliary.
Polish National Alliance.
Polish National Union.
Polish Roman Catholic Union of North America.
Polish Scouting Organization.
Polish Western Association.
Polish Women’s Alliance.
Robertson International.
Ruritan National.
Sampson WWII Navy Vets, Inc.
San Diego Veterans Services.
Scottish Rite of Freemasonry—Northern Masonic Jurisdiction.
Scottish Rite of Freemasonry—Southern Jurisdiction.
Sons of Confederate Veterans.
Sons of the American Legion.
Sons of the American Revolution in the State of Wisconsin.
Sons of Union Veterans of the Civil War.
Sportsmen’s Athletic Club—Pennsylvania.
Standing Rock Sioux Tribe.
Steamfitters Local Union # 449.
Team of Destiny.
Texas Society Sons of the American Revolution.
The General Society, Sons of the Revolution.
The Military Order of the World Wars.
The Orchard Lakes Schools.
The Reserve Officers Association of the United States.
The Retired Enlisted Association (TREA).
The Seniors Coalition.
The Travelers Protective Association.
TREA Senior Citizens League.
The Ukrainian Gold Cross.
The Uniformed Services Association (TUSA).
United Armed Forces Association.
United Veterans of America.
U.S. Coast Guard Enlisted Association.
U.S. Pan Asian American Chamber of Commerce.
U.S.A. Letters, Inc.
U.S.S. Intrepid Association, Inc.
Veterans of the Battle of the Bulge.
Veterans of the Vietnam War, Inc.
Vietnam Veterans Institute (VVI).
Vietnam Veterans of America, Chapter 415.
Vietnam Veterans of America, Chapter 566.
VietNow.
Virginia War Memorial Foundation.
WAVES National.
Women’s Army Corps Veterans Association.
Women’s Overseas Service League.
Woodmen of the World.
63rd Infantry Division Association, USAFR.
68th Engineer TOPO Vets.
Total Member Organizations As Of May 10, 2005: 146.

Mr. CUNNINGHAM. Mr. Speaker, in the past debates people have brought forth trinkets, ties, gloves, and T-shirts and tried to confuse the issue with the American flag. What is the American flag? The flag is what we place over the coffins of our fallen soldiers. I would ask those individuals, if they still try this trickster debate, which would you place on the casket of one of our fallen soldiers; it is not the American flag. I have a 6-year-old test. If you ask a 6-year-old what is the American flag and you hold up a tie or a T-shirt, they will say no to the American flag. They know, and so do the American people.

In my district we had a group of Hispanics that were protesting over a bill that we passed on this floor years ago and it was on bilingual education, English First. There was a large protest. They started to burn the American flag in my district. A Hispanic man and woman jumped into the flames and rescued that flag. When the press asked them why, they said we value this flag and this country and we do not want anyone to desecrate it. They also pointed out that more Hispanics per capita have won the Medal of Honor and they support this flag and this country proudly.

I have another friend who was a prisoner of war for 6½ years. It took him 5 years to knit an American flag on the inside of his shirt when he was held prisoner in Vietnam. He would display this flag on his meetings until the guards broke in one day and brutally beat the prisoner of war, ripped the flag to shreds in the middle of the floor, drug the prisoner out of the cell, beat him unconscious. And when they placed him back in the cell, his friends tried to comfort him as much as they could and tend to his wounds, but he was unconscious. They went about their meetings, and a few minutes later they heard a stirring in the corner. That broken body prisoner of war had drug himself to the center of the floor and started gathering those pieces of thread so he could knit another American flag.

This is not political for us. It is a very bipartisan issue. We should get around 300 votes today. I tell my colleagues, both Republicans and Democrats.

I understand that some people oppose this, and for different reasons why, but I will tell you they are opposed by many, many people. Members say that this violates the first amendment rights. There are a thousand ways that an individual can protest any event, and this does not take away first amendment rights but it just says please do not desecrate the flag.

Remember Mr. Giuliani and the first responders at the World Trade Center, remember how that inspired this country. It does have value. This value is part of our tradition and was part of our tradition for 200 years, and that is what the gentleman from Wisconsin (Mr. SENSENBRENNER) and the 300 Members who will support this amendment today are saying to my colleagues that are opposed to this. We disagree with you. We do not disagree lightly, and we think it is very, very important. But when the majority of the American people support it, we will vote with it.

Mr. NADLER. Mr. Speaker, I have yielded myself such time as I may consume.

Mr. Speaker, today we are enduring the Republican rite of spring: A proposed amendment to the Bill of Rights to restrict what has been called flag desecration. Why spring? Because Members need to send out a press release extolling the need to protect the flag, as if the flag somehow needed Congress to protect it. It is easier than answering questions about the misuse of this House to provide proper health care to our veterans, proper armor to save the lives of our troops, or proper support for their survivors.

Mr. Speaker, I have heard a number of speeches involving the rescuers and heroes and first responders at Ground Zero on September 11 and the few weeks after.

Mr. Speaker, that is my district. I want to hear in the House from those individuals who will support this amendment when the majority of the American people support it. They are opposed by many, many people. Members say that this violates the first amendment rights but it just says please do not desecrate the flag.

Mr. Speaker, I have heard a number of speeches involving the rescuers and heroes and first responders at Ground Zero on September 11 and the few weeks after.

Mr. Speaker, that is my district. I want to hear in the House from those individuals who will support this amendment when the majority of the American people support it. They are opposed by many, many people. Members say that this violates the first amendment rights but it just says please do not desecrate the flag.

I am certain we will hear speeches invoking the sacrifice of our troops in the field as a pretext for carving up the first amendment. We already have. There is no shame of the patriotism and courage of these fine and courageous young people. It is the civic equivalent of violating the commandment against taking the Lord’s name in vain.

If Members want to honor the sacrifice of our troops, protect the rights they fight for. Protect our civil liberties, and protect the rights of veterans. Playing games with the Constitution does not honor them.

People have rights in this country that supersede public opinion, even strongly held public opinion. That is why we have a Bill of Rights to protect
minutes from the majority. If we do not preserve those rights, then the flag will have been desecrated far beyond the capability of any idiot with a cigarette lighter.

Let there be no doubt that this amendment is aimed directly at ideas. Current Federal laws say that the preferred way to dispose of a tattered flag is to burn it, but there are those who would criminalize the same act of burning the flag if it was done to express political dissent.

Mr. Speaker, the fact of the matter is I have seen motion pictures. I have seen movies reflecting the War of 1812 in which the British burned our capital. I saw in those movies, actors playing British soldiers burning the flag. Did we send in the police to arrest the actors for this flag desecration? Of course not. We do not mind that because we know they do not mean it. That is to say, they are not burning the flag as an expression of disdain for our way of life or for their opinions on political issues of their disagreement with the administration or with the government in power. No, they are doing it as part of a play, play-acting; so the physical act does not mean anything, so we do not care.

But under this amendment, if someone were to do the same thing, burn the flag at the same time as he says, ‘I disagree with the policy of whatever it is, that would be a criminal act. So what is really being made criminal? Not the act of burning the flag. What is really being made criminal is the act of burning the flag combined with the expression of a dissident, unpopular political opinion.

The act of burning the flag to dispose of it is a praiseworthy act. The act of burning the flag as part of a movie or part of a play is okay. I just think any one of us must not think anybody contemplates arresting the actors. Really, what we are getting at here is the core expression of first amendment protected ideas. We will arrest people who as part of expressing their opinion about something burn the flag. But if they burn the flag without expressing an opinion contrary to the government as part of a play or for some other reason, that will be okay. That should tell us what this amendment is about. That is why the Supreme Court said that the law was unconstitutional, because it does violate the first amendment.

The distinguished ranking member is quite correct. If we carve out this exception for the first amendment, if we make it that the first time that says, will limit rights protected by the Bill of Rights, it will be easier to do it in the future. Then the next amendment will come along and say that, well, if you say things that we think, that somebody at the moment thinks endangers America, say what? Whatever war it is at the moment, is wrong, our President shouldn’t have done it, whoever the President may be at that moment, our troops shouldn’t be in wherever they are, that is endangering our troops, we will make that illegal. That will be easier to do. That is why this amendment is so dangerous.

How many Members of Congress, used to speaking on television programs, and other seemingly legitimate individuals and enterprises have engaged in the act of using the flag or parts of the flag for advertising, an act which our constitutional amendments and the Supreme Court said was constitutional. This amendment would presumably make that law constitutional once more. If ratified, I think there are more than a few people who will have to redesign their campaigns and to stay out of jail, except, of course, that probably no one will arrest them for that violation of the law because they will not be seen to be using it for dissident political speech, unless they are running on an unpopular platform. Again, that is the danger of this amendment.

As if this assault on the Bill of Rights is not enough, the Judiciary Committee once again did not even bother holding a hearing on this very significant amendment to the Constitution. The Subcommittee on the Constitution did not bother to consider it, to debate it, or to vote on it. Now, I know that they will say, we’ve held hearings in previous Congresses. Yeah, and we have rejected this amendment in previous Congresses. And this is a new Congress. There are new Members. There is no excuse for doing something or attempting to do something so significant to start tearing up the Bill of Rights without even a hearing to hear opinions on it just because prior Congresses may have held hearings.

This cavalier attitude toward the Bill of Rights is offensive and revealing. Why, then is it? Why look into it? It’s only the Constitution. We’re only talking about the rights of a few malcontents for whom even opponents of this amendment have contempt.

And we do have contempt for people who would contemn the will of the people. None of us think that those people are doing something praiseworthy. We all think it is absurd and wrong, but we think their right to be wrong has to be protected. That is what America is all about. By the way, where is this epidemic of flag burning? I do not recall seeing anybody burning the flag in I do not know how many years. What is the danger we are legislating against? People have died for this great Nation and the right we give them to say whatever they want, no matter how deeply we may cherish their disregard, ‘‘quoting the Barnette case with Justice Frankfurter dissenting. The Supreme Court of Wisconsin concluded by saying: ‘‘If it is the will of the people to amend the United States Constitution in order to protect our Nation’s symbol, it must be done through normal political channels.’’

Today, we are doing it through those normal political channels. That is why this amendment should be approved.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. CHABOT), the chairman of the Subcommittee on the Constitution.

Mr. CHABOT. Mr. Speaker, I rise in strong support of H.J. Res. 10, the flag protection amendment, and I would like to thank the distinguished gentleman from California (Mr. CONRAN) for his efforts to protect our country’s most sacred symbol, the American flag. I would also like to thank our distinguished Judiciary chairman, the gentleman from Wisconsin (Mr. SENSENBERN), for his leadership in this area.

I would also like to very briefly just address some of the allegations, particularly the one about not having
hearings. As has been stated, we have had a number of hearings on this in the past. The interesting thing is when one holds these hearings or had we chosen to hold hearings again this time, I might add we had experts on both sides come and testify about this, there are allegations at one of these hearings that we go again, why are we holding these hearings once again? So you are really damned if you do or damned if you do not.

I would also invite those who might be following this debate to listen to where the inflammatory rhetoric, which side it comes from, allegations thrown against us that this is a crass exploitation of the flag when we have not done this, that, or the other thing. I think those of us on this side tend to want to keep this debate on a very civil level and I would encourage my colleagues to do that. Since this country’s creation, nothing has represented the United States of America as honorably as the American flag. From the top of this very Capitol building to porches all across our country, the flag is synonymous with the principles on which this country was founded and the principles on which we still stand. Each day it serves as a source of comfort and strength and holds the promise of a better future for all Americans.

However, there are those who, while claiming the very protections our country has to offer, would seek to defile it by burning it or otherwise destroy the very symbol that would seemingly protect their actions. Since 1994, and I want to emphasize this, there have been 119 incidents of such flag desecration, ones like the one that our distinguished chairman just indicated where somebody literally defecated on the flag. Despite the will of both the Federal and State governments to protect the flag from such abuse, the Supreme Court has struck down the protections for our most sacred symbol and instead has protected these un-American acts.

Congress must act and a constitutional amendment is the only answer. If we could do this legislatively, if we could pass a statute as we have done in the past which has been struck down by the Supreme Court, we would do that. But the only way that we can protect the flag is to amend the Constitution, and that is what this is all about. Many of us believe very strongly in this flag, which has passed the House in its current form on four separate occasions, would give Congress the authority it needs to once again protect the flag. I would urge my colleagues to support this amendment.

Mr. MADDOX. Mr. Speaker, I yield 6 minutes to the gentleman from Virginia (Mr. SCOTT), a distinguished member of the Committee on the Judiciary.

Mr. SCOTT of Virginia. Mr. Speaker, I thank the gentleman for yielding me this time. I think it is important to put this debate in context because it occurs to me that every time we consider this resolution, we end up cutting veterans health care. So let us just see what we are doing this year on the health care budget for veterans. The Republican budget cuts veterans health care programs by more than $13.5 billion compared to what would be needed just to keep up with inflation. The President even proposed a $15 billion cut and copays for a significant number of our veterans.

When the sponsor challenges us to ask wounded VA hospital staffs what they want us to do, I suspect that they would not be asking us to cut veterans health care at the same time we debate this resolution.

Furthermore, Mr. Speaker, just before we went on Memorial Day break and gave speeches just a few weeks ago, colleagues voted down a measure that would have offered TRICARE health care coverage to National Guard members. The Supreme Court has frequently considered restrictions on speech that are permisible by our government. For example, under the first amendment with respect to speech, speech may be regulated by time, place and manner, but not regulated by the content. There are, of course, exceptions. Speech may be restricted if it creates an imminent threat of violence or threatens safety or expresses a patently offensive message that has no re-eeming social value, but we cannot restrict by content otherwise. The distinction: you can restrict by time, place and manner but not content.

So you can restrict the particulars of a march or demonstration by what time it is held or where it is held or how loud the demonstration can be, but you cannot restrict what people are marching or demonstrating about. You cannot ban a particular march or demonstration and then try to restrict an anti-war demonstration.

Speech protected by the Constitution we have to recognize will always be unpopular. Popular speech does not need protection. It is only that speech that provokes the local sheriff into wanting to arrest you for what you said that needs protection. Of course, speech protected by the first amendment will always be unpopular.

We have referred to the underlying resolution as the anti-flag burning amendment, and they speak about the necessity of keeping people from burning flags. In reality, the only place you ever see a flag burned is in compliance with the Federal law on cremations disposing of a worn-out flag. Ask any Boy Scout or American Legion member how to dispose of a worn-out flag and they will tell you that the procedure is to burn the flag at a respectful ceremony.

In fact, the only time I have seen a flag burned is at one of these ceremonies. So the proposed constitutional amendment is all about expression and all about prohibiting expression in violation of the first amendment principles. In fact, the amendment does not even use the term “burning.” It uses the phrase “flag desecration” by using the word “desecration,” we are giving government officials the power to decide that one can burn the flag if they are saying something nice and respectful, but they are a criminal if they burn this flag while they are saying something offensive or insulting. This is an absurd distinction and is a direct contravention of the whole purpose of the first amendment, especially when the real impact of the legislation will be that have political protesters arrested because they disagree and express that disagreement of government policy.

Mr. Speaker, in addition to the violation of the spirit of the Bill of Rights, this amendment has practical problems. For example, what is a flag? Can one desecrate a picture of a flag? Can one desecrate a flag with the wrong number of stripes? Mr. Speaker, during the Vietnam War, laws were passed prohibiting draft cards from being burned, and protesters with great flourish would say that they were burning their draft cards and offend everybody, but then nobody would know whether it was a draft card or just a piece of paper. And what happens if one burns their own flag in private? Are they subject to criminal prosecution if somebody finds out?

Mr. Speaker, I feel compelled to comment on suggestions that stealing and destroying somebody’s personal property is protected if that property happens to be a flag. That is wrong. It is still theft and personal property. The other examples, there are other criminal codes that people can be prosecuted on. What this legislation is aimed at is neutralizing political speech, and we should not criminalize political speech just because we disagree with it, just because we have the votes.
So, Mr. Speaker, I hope that we would defeat this resolution, and I urge my colleagues to oppose the resolution.

Mr. SENSENIBRENNER. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana (Mr. SODREL).

Mr. SODREL. Mr. Speaker, I appreciate the opportunity to speak in favor of this amendment.

Hampton Sides, in his book Ghost Soldiers, recounts the Ranger action to liberate the allied POWs from Cabanatuan, the main POW camp in the Philippines. Most of them were survivors of the Bataan Death March. They were emaciated, sick and weak. Some of them had to be carried from the prison compound when it was taken by U.S. Army Rangers. What I will read now is the last paragraph of his narrative as told by its survivors.

"Along the way we saw an American flag set in a turret of a tank. It wasn't much of a flag, withing in a weak breeze, but for the men of Cabanatuan, the sight of an American flag said his heart stopped for he realized it was the first Stars and Stripes he'd seen since his surrender. All the men in all the trucks stood at attention and saluted. Then came the tears. 'We wept openly,' Mr. Sodrel wrote, 'and wept without shame.'"

Some say our flag is just a piece of cloth, Mr. Speaker. Grown men, particularly combat veterans, do not typically cry at the sight of a piece of cloth, particularly the majority that served under it, the American flag stands for liberty. To us, desecrating our flag is not a demonstration of liberty; it is an attack on liberty. If it were merely a piece of cloth, our enemies would not trouble themselves to desecrate it.

All Americans are "endowed by their Creator with certain unalienable rights." Among those rights enumerated in our Constitution is the right of free speech and expression. Freedom of speech, however, affords absolute freedom of action. One cannot spray-paint a bald eagle in protest. One cannot deface the American flag stands for liberty. To us, desecrating our flag is not a demonstration of liberty; it is an attack on liberty. If it were merely a piece of cloth, our enemies would not trouble themselves to desecrate it.

Our country is strong and free because we love our flag. We love it so much. And why? Because our Nation's flag stands for the freedoms that define this country. One of those freedoms is freedom of speech. The Constitution does not, however, afford absolute freedom of action. If enacted, this bill would for the first time in our Nation's history modify the Bill of Rights to limit freedom of speech. As has been stated, it is clear that this amendment would only limit speech that some do not agree with.

Why are the Republican leadership of the House pushing this amendment? I think it is obvious that it would amend the Constitution and ratified to correct that problem. The Supreme Court also decided that levying income taxes violated the provision of the Constitution that related to the judicial power of the United States. The Dred Scott decision would never be repeated again. There was a decision early in the country's history under the Constitution that related to the judicial power of the United States. The 11th amendment was proposed and ratified to correct that. And the Supreme Court also said that levying income taxes violated the provision of the Constitution on apportionment of taxes, and the 16th amendment was proposed and ratified to correct that problem.

act intended merely as an insult is not worthy of our fallen comrades. It is the sort of thing our enemies did to us, but we are not them, and we must conform to a different standard... Now, when the justice of our principles is everywhere vindicated, the cause of human liberty demands that this amendment be rejected. Rejecting this amendment would not mean that we agree with those who burned our flag or even that they have been forgiven. It would, instead, tell the world that freedom of expression means for those expressions we find repugnant."

I think there is another reason why this amendment has been offered, and that is to divert attention from the shabby treatment of our veterans. Let us shift attention to our beloved flag; maybe the vets will not notice that Congress has not kept its promises to them.

According to the American Legion, 30,000 veterans are waiting 6 months or more for an appointment at a veterans hospital. The Veterans of Foreign Wars estimates that as many as 220,000 men and women veterans could lose their benefits under the proposed veterans budget. Our veterans went to war to protect our freedom. One of those freedoms is freedom of speech and expression. Freedom of speech and expression means freedom even for those expressions we find repugnant. It would, in fact, be rejecting this amendment to reject those expressions we find repugnant.

Some in the past have voted for this amendment assuming that the Senate will stop it, that we really will not do this bad thing to our country. I have great fear that the political landscape has changed. I think this is a sad and shameful day for our country.

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

Mr. Speaker, throughout the history of this Republic, the Congress has proposed constitutional amendments and sent them to the States to overturn Supreme Court decisions that were particularly onerous. The one that comes to mind as coming to the top of the list was the Dred Scott decision. That was the first constitutional amendment Congress proposed and the States ratified three amendments, the 13th, 14th and 15th amendment, to make sure that the mistake that was made by the Dred Scott decision would never be repeated again. There was a decision early in the country's history under the Constitution that related to the judicial power of the United States. The 11th amendment was proposed and ratified to correct that. And the Supreme Court also said that levying income taxes violated the provision of the Constitution on apportionment of taxes, and the 16th amendment was proposed and ratified to correct that problem.
So when there is a court decision that has resulted in consequences that the Congress and the States collectively deem are so bad that it requires an amendment to the Constitution, this Congress has not hesitated to propose an amendment to the Constitution. Indeed, 50 States have ratified it.

Here we have had resolutions of all 50 State legislatures asking that we propose this amendment and send it to the States for ratification, and that is because the instances of flag desecration that have occurred have been deemed by them to be over the line and that the Supreme Court of the United States was wrong in its decision and it needs correction.

I just go back to the quote that I made of the Wisconsin Supreme Court when they effectively invalidated our State's flag desecration amendment. It is up to the people through the constitutional amendment process to make the correction, and that is why we are here today.

Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. GENE GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today to defend the flag of the United States of America. Throughout the history of our Nation, our flag has stood as the ultimate symbol of our freedom. From Yorktown to Fort McHenry, from Iwo Jima to Baghdad, our troops have fought behind our flag in the defense of liberty. Their dedication and their sacrifice in defense of freedom demands that we take this action today. And who can forget on September 11, 2001, when firefighters in New York pulled our flag out of the rubble of the World Trade Center and hoisted it in defiance of terror? And who can forget the flag that hangs in the American History Museum in Washington, D.C., that was draped over the scarred Pentagon as a show of our Nation's resolve? We should not, we must not, and we cannot allow the desecration of our national symbol as some form of protest. Some things in this Nation are sacred, and the flag is the most sacred symbol of all. The flag binds our Nation together and must be protected. Let us take this action together today. Honor the service and sacrifice of those who have fought behind the flag in defense of our freedom.

And, Mr. Speaker, as was mentioned, 50 States have already passed resolutions indicating that they want to ratify this resolution we are debating today. Let the majority of Americans ratify their allegiance and pledge their allegiance to our flag.

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. GENE GREEN).

Mr. GREEN of Texas. Mr. Speaker, I thank my colleague and classmate for yielding me this time.

I rise in support and as a cosponsor of H.J. Res. 10, an amendment to the Constitution authorizing the Congress to prohibit the physical desecration of the United States flag.

Our flag represents our country as a symbol of our Nation and our veterans bravely throughout history. Our servicemen and women are courageously fighting every day and putting their lives on the line every day to protect our Nation and the freedoms that we enjoy.

While I am a strong supporter of the first amendment rights to freedom of speech and expression, they do not include burning flags and denying their allegiance and pledge their freedom.

This amendment would restore history's protection for our national symbol, and that is why I am proud to support this amendment.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BUYER).

Mr. BUYER. Mr. Speaker, I would like to thank the chairman for his good work on the Committee on the Judiciary. I would also like to thank the gentleman from California (Mr. CUNNINGHAM) for taking up this legislation once again. I would also like to thank the American Legion and the other veterans service organizations for their work behind this legislation before the House.

The legislation before the House today would protect "Old Glory" from desecration. This is not about free speech or the ability of our citizens to express displeasure at the actions of government. That right is fully protected by the First Amendment and this proposed amendment.

The Supreme Court was right in their rulings to prohibit the shouting of "Fire!" in a crowded theater; and, equally, the Supreme Court was wrong to permit flag-burning. The burning of the flag is conduct that Congress is justified in regulating, and that is what we are doing in this legislation.

The Stars and Stripes is a powerful symbol of our Nation and the ideals that we as a people hold dear: the freedom Americans enjoy today, the courage of those who have defended it, and the resolve of our people to protect liberty and justice for all from enemies from within and from without. The ideals that it embodies are very powerful and are recognized here at home, but also abroad, by friend and foe alike.

This symbol of liberty is so powerful that Congress should have the right to prevent its willful and powerful desecration. It is not a piece of cloth that rose from the ashes of the fallen Twin Towers or that was draped from the Pentagon in the aftermath of September 11. After that day, the flag suddenly seemed to be everywhere, overnight, across this land, any size of fabric, even those made by schoolchildren from construction paper, I suppose, flags stuck in flowerpots, pinned on lapels, decals posted on the back windows of our automobiles and trucks. The message was the same: I am proud to be an American.

I have seen the flag on a distant battlefield, and those, like me who have seen it there, see it perhaps from a different perspective. For me, it is not a piece of cloth that Francis Scott Key saw over Baltimore Harbor centuries ago.

The flag was the physical embodiment of all we as Americans cherish: the triumph of liberty over totalitarianism, the freedoms we enjoy; our rights the government has an obligation to protect; and the duty we have to pass the torch of liberty to our children undimmed. The flag is a symbol worth defending. Long may she wave. I urge the adoption of this constitutional amendment to protect the flag.

Mr. NADLER. Mr. Speaker, I rise in strong opposition to this resolution. The process may well be legal, but it is unwise.

The problem is minimal. This is more like a solution in search of a problem. We just do not need to amend the Constitution for so little a problem that we face in this regard. We are just looking for another job for the BATF to enforce this type of legislation. It was stated earlier that this is the only recourse we have since the Supreme Court ruled the Texas law unconstitutional. That is not true. There are other alternatives.

One merely would be to use State law. There are a lot of State laws, such as laws against arson, disturbing the peace, theft, inciting riots, trespassing. We could deal with all of the flag desecration with these laws. But there is another solution that our side has used and pretends to want to use on numerous occasions, and that is to get rid of the jurisdiction from the Federal courts. We did it on the marriage issue; we can do it right here.

June 22, 2005
CONGRESSIONAL RECORD — HOUSE
H4911
So to say this is the only solution is incorrect. It is incorrect. And besides, a solution like that would go quickly, pass the House by a majority vote, pass the Senate by a majority vote, send it to the President. The Schiavo legislation was expedited and passed quickly. That extension of the States.

Mr. Speaker, a question I would like to ask the proponents of this legislation is this: What if some military officials arrived at a home to report to the family that their son had just been killed in Iraq, and the mother is totally overwhelmed by grief and turning to anger. She grabs a flag and she burns it? What is the proper punishment for this woman who is grieved, who acts out in this manner? We say, well, these are special circumstances, we will excuse her for that; or no, she has to be punished, she burned a flag because she was making a political statement. That is the question that has to be answered. What is the proper punishment for a woman like that? I would say it is very difficult to state out any punishment whatsoever.

We do not need a new amendment to the Constitution to take care of a problem that does not exist.

Another point: The real problem that exists routinely on the House floor is the daily trashing of the Flag by totally ignoring Act I Sec. 8. We should spend a lot more time following the Rule of Law, as defined by our oath of office, and a lot less on unnecessary constitutional amendments that expands the role of the Federal Government while undermining that extension of the States.

Mr. Speaker, let me summarize my views on this proposed amendment. I rise in opposition to this. I have not been in the military, and I have great respect for the symbol of our freedom. I salute the flag, and I pledge to the flag. I also support overriding the Supreme Court case that overturned state laws prohibiting flag burning. Under the Constitutional principle of federalism, questions such as whether or not Texas should prohibit flag burning are strictly up to the people of Texas, not the United States Supreme Court. Thus, if this amendment simply restored the state’s authority to ban flag burning, I would enthusiastically support it.

However, I cannot support an amendment to give Congress new power to prohibit flag burning. I served my country to protect our freedoms and to protect our Constitution. I believe very sincerely that today we are undermining to some degree that freedom that we have had all these many years. Mr. Speaker, we have some misfits who on occasion burn the flag. But the offensive conduct of a few does not justify making an exception to the First Amendment protections of political speech the majority finds offensive. According to the pro-flag amendment Citizens Flag Alliance, there were only three incidents of flag desecration in 2004 and there have only been two acts of desecration thus far in 2005, and the majority of those cases involved vandalism or some other activity that is already punishable by local law enforcement! Let me emphasize how the First Amendment is written, “Congress shall make no law.” That was the spirit of our nation at that time: “Congress shall make no laws.”

Unfortunately, Congress has long since disregarded the original intent of the Founders and has italicized private property and private conduct. But I would ask my colleagues to remember that every time we write a law to control private behavior, we imply that somebody has to arrive with a gun, because if you desecrate the flag, you have to punish that person. So how do you do that? You send an agent of the government, perhaps an employee of the Bureau of Alcohol, Tobacco and Flags, to arrest him. This is in many ways patriotism with a gun—if your actions do not fit the official definition of a “traitor,” we will send somebody to arrest you.

Fortunately, Congress has modals of flag desecration laws. For example, Saddam Hussein made desecration of the Iraq flag a criminal offense punishable by up to 10 years in prison.

It is assumed that many in the military support this amendment, but in fact there are veterans who have been great heroes in war on both sides of this issue. I would like to quote a past national commander of the American Legion, Keith Kreul. He said:

Our Nation is founded on devotion to symbolic idols, but on principles, beliefs and ideals expressed in the Constitution and its Bill of Rights. American veterans who have fought to preserve our Constitution are not done so to protect a golden calf. Instead, they carried the banner forward with reverence for what it represents, our beliefs and freedom for all. Therein lies the beauty of our flag. A patriot cannot be created by legislation.

Secretary of State, former Chairman of the Joint Chiefs, and two-time winner of the Presidential Medal of Freedom Colin Powell has also expressed opposition to amending the Constitution in this manner: “I would not amend the Constitution to make a crime out a few miscreants. The flag will be flying proudly long after they have slunk away.” Mr. Speaker, this amendment will not even reach the majority of cases of flag burning. When we see flag burning on television, it is usually not American citizens, but foreigners who have strong objections to what we do overseas, (burning the flag.) This is what I see on television and it is the conduct that most angers me.

One of the very first laws that Red China passed upon assuming control of Hong Kong was to make flag burning illegal. Since that time, they have prosecuted some individuals for flag burning. Our State Department keeps records of how often the Red Chinese prosecute people for burning the Chinese flag, as it considers those prosecutions an example of how the Red Chinese violate human rights. Those violations are used against Red China in the argument that they should not have a permanent security council status. There is just a bit of hypocrisy among those Members who claim this amendment does not interfere with fundamental liberties, yet are critical of Red China for punishing those who burn the Chinese flag.

Mr. Speaker, this is ultimately an attack on private property. Freedom of speech and freedom of expression depend on property. We do not have freedom of expression of our religion in other people’s churches; it is honored and respected because we respect the ownership of the property. The property conveys the right of freedom as a new idea, not some other activity that is already punishable by local law enforcement. Once Congress limits property rights, for any cause, no matter how noble, it limits freedom.

Some claim that this is not an issue of private property rights because the flag belongs to the country. The flag belongs to everybody. But if you say that, you are a collectivist. That means you believe everybody owns everything. So why do American citizens have to spend money to obtain, and maintain, a flag if you say it is communally owned? If your neighbor, or the Federal Government, owns a flag, even without this amendment you do not have the right to go and burn that flag. If you are causing civil disturbances, you are liable for your conduct under state and local laws. But the idea that there could be a collective ownership of the flag is erroneous.

Finally, Mr. Speaker, I wish to point out that by using the word “desecration,” which is traditionally reserved for religious symbols, the authors of this amendment are placing the flag on the same plane as the symbol of the church. The practical effect of this is to either lower religious symbols to the level of the secular state, or raise the state symbol to the status of a holy icon. Perhaps this amendment harkens back to the time of the state was indistinguishable from the church. In that case, who believes in “no king but Christ” should be troubled by this amendment.

We must be interested in the spirit of our Constitution. We must be interested in the principles of liberty. I therefore urge my colleagues to oppose this amendment. Instead, my colleagues should work to restore the rights of the individual states to ban flag burning, free from unconstitutional interference by the Supreme Court.

Mr. SENSENBRENNER. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. PENCE).

(Mr. PENCE asked and was given permission to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, I want to begin by commending the gentleman from California (Mr. CUNNINGHAM) for not only his extraordinary and courageous support of our armed forces, but for his ongoing service to our country in bringing this important legislation to the floor of the Congress. I also want to thank the distinguished chairman of the Committee on the Judiciary on which I have the privilege of serving. The gentleman from Wisconsin (Mr. SENSENBRENNER) continues to provide leadership that reflects the values.
June 22, 2005

CONGRESSIONAL RECORD—HOUSE

H4913

of the overwhelming majority of the American people to this Congress. By entertaining this legislation and bringing this debate again to the floor, the gentleman from Wisconsin (Chairman SENSENIBRENNER) demonstrates the quality of leadership and commitment that he so richly deserves.

After surviving the bloodiest battle since Gettysburg, a platoon of Marines trudged up Mount Suribachi on Sulfur Island with a simple task: to raise an American flag above the devastation below. When the flag was raised by Sergeant John F. Bradley and his makeshift squad, history records that a tremendous cheer arose from our troops on land and sea, in foxholes and on stretchers, across Iwo Jima and its surrounding waters. Hope was returned to that battlefield when the American flag began flapping in the wind.

Mr. Speaker, it was written long ago: "Without a vision, the people perish." That day, on Mount Suribachi, the flag was the vision that inspired and rallied our troops. Mr. Speaker, it is still that vision for every American who cherishes those who stood ready, and this day stand ready, to make the sacrifices necessary to defend freedom.

By adopting the flag protection amendment, we can honorably offer that there will raise Old Glory one more time. We will raise her above the decisions of a judiciary that was wrong on our law and our history and our traditions. We will raise the flag above the cynicism of our time and say to my generation of Americans, those most unwelcome of words: there are limits. Out of respect for those who serve beneath it and those who died within the sight of it, we must say that there are boundaries necessary to the survival of freedom.

C.S. Lewis said: "We laugh at honor and are shocked to find traitors in our midst." Mr. Speaker, let us this day cease to laugh at honor. Let us elevate our flag to its rightful place. Let us cease to laugh at honor. Let us elevate our American flag to the highest place it can be raised and thereby we will surely raise the vision of freedom for Americans.

Mr. NADLER. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Arkansas (Mr. SNYDER).

Mr. SNYDER. Mr. Speaker, we are gathered here today to debate a constitutional amendment that would re-establish an American flag protection amendment. Mr. Speaker, we make a foolish, foolish mistake with his or her own property. As Secretary of State Colin Powell said in a letter dated May 18, 1999 to Senator LEAHY: "If they are destroying a flag that belongs to someone else, that is a prosecutable crime. But if it is a flag they own, I really don't want to amend the Constitution to prosecute someone for foolishly desecrating their own property. We should condemn them and pity them instead.

Mr. Speaker, my primary objection to this amendment is not the effect it will have on those who physically desecrate their flags, because the numbers of people who physically desecrate the American flag are so small. My objection is that it will give government a tool with which to prosecute Americans with minority views, particularly at times of great national division, their behavior would have been perceived as patriotic if done by the majority. Unfortunately, our history has abundant examples of patriotism being used to hurt those who express views in disagreement with that of the majority. Stories such as those drawn from the New York Times in years of great strife in America.

The first one I would like to read is from April 7, 1917. Headline: "'Diners Refuse Right to Play National Anthem, Attack 5 Man and Two Women Who Refuse to Stand When It is Played.' There was much excitement in the main dining room at Rector's last night following the playing of the 'Star Spangled Banner' and 'Patriotic Songs.' Boyd, a former reporter on the New York Call, a Socialist newspaper, was dining with Miss Jessie Ashley and Miss May R. Towle, both lawyers and suffragists. The three were among those who remained seated. There were quiet, then loud and vehement, protests, but they kept their chairs. The angry diners surrounded Boyd and the two women and blows were struck back and forth, the women fighting valiantly to defend Boyd. He cried out he was an Englishman and did not have to get up, but the crowd would not listen to explanation.

'Boyd was beaten severely when Albert Dasburg a head waiter, succeeded in reaching the other waiters and closed in and the fray was stopped. The guests insisted upon the ejection of Boyd and his companions, and they were asked to leave. They refused to do so and they were escorted to the street and watched as one of the volunteer waiters who took Boyd to the West 47th Street Station, charged with disorderly conduct. Before Magistrate Corrigan in night court, Boyd repeated that he did not have to rise at the playing of the National Anthem, and the court told him that while there was no legal obligation, it was neither prudent nor courteous not to do so in these tense times. Boyd was found guilty of disorderly conduct and was released on suspended sentence."

Another one from the New York Times, July 2, 1917, headline: "'Boston Peace' Parade Mobbed. Soldiers and Sailors Break Up Socialist Demonstrations, Headquarters Ransacked and Contents Burned, Many Arrests For Fighting. Riotous scenes attended a Socialist parade today which was announced as a peace demonstration. The ranks of the parade were shrunk to seven. Socialists behind a barricade of uniformed soldiers and sailors, red flags and banners bearing Socialist mottos were trampled on, and literature and furnishings in the Socialist Headquarters in Park Square were thrown into the street and burned."

'At Scollay Square there was a similar scene. The American flag at the head of the line was seized by the attacking party, and the band, which had been playing the 'Marseillaise' with some interruptions, was forced to play 'The Star-Spangled Banner' while cheers were given for the flag. Headline: 'Forced to Kiss the Flag. One Hundred Anarchists are Then Driven from San Diego. Nearly 100 Industrial Workers of the World, all of whom admitted they are anarchists, knelt on the ground at dawn today near San Onofre, a small settlement a short distance this side of the Orange County boundary line."

"The ceremony, which was unwillingly performed, was witnessed by 45 deputy constables and a large body of armed citizens of San Diego."

What do these stories have to do with this very vocal minority and will use it to find excuses to legislate and debates today, Mr. Speaker? The decision we make today, it seems to me, is a balancing, weighing, of what best preserves freedom for Americans.

My belief is that we may well be in a place in public deliberate incidents of flag desecration, acts that we all deplore, if this amendment becomes part of our Constitution, although they are already quite rare.

On the other side of the ledger, if this amendment becomes part of our Constitution, in my opinion, it will become a constitutionally sanctioned tool for the majority to tyrannize the minority. As evidenced by anecdotes from a time much different than our nation's history, a time much different from today, government, which ultimately as human beings with all of our strengths and weaknesses, may use this amendment to question the patriotism of America's minorities.

Let me give you an example. I was at a rural county fair in Arkansas several years ago where a group had a booth with great patriotic display, in addition to their handouts and signs. They had laid across the table, like a tablecloth, an American flag. I knew these people thought this to be a patriotic part of their display.

I was standing a few booths down the way and watched as one of the volunteers sat on the table, oblivious to the fact he was sitting on our American flag. I believe that his action was a completely innocent mistake, and that he did not realize such behavior is inconsistent with good flag etiquette.

I believe that had this group been a fringe group, these with views contrary to the majorities, and should we have laws prohibiting physical desecration of the flag, and had this been a time of great national division, such an action as I described would not be excused as an innocent mistake.

Instead, a minority group might be prosecuted out of anger, out of disgust,
As I stepped out of the aircraft, I looked up and saw the flag. I caught my breath then as tears filled my eyes. I saluted it. I never loved my country more than at that moment. Although I had received a Silver Star medal, and two Purple Hearts, this was nothing compared to the gratitude that I felt then for having been allowed to serve the cause of freedom.

"Because the mere sight of the flag meant so much to me when I saw it for the first time, it hurts me to see other Americans willfully desecrate it. It hurts to see the flag burned, but I part company with those who want to punish the flag burners. Let me explain myself."

He then goes on to talk about his experience in the POW camp. He says, "I remember one interrogation where I was shown a photograph of some Americans protesting the war by burning a flag. See, the officer said, people in your country, citizens of your country, are saying that they hold a minority view. Mr. Speaker, I urge a no vote on this proposed amendment."

Mr. NADLER. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Speaker, symbols matter. Certainly the cross has special meaning for millions of people. The menorah, the Koran, we saw that recently where false reports on desecration of the Koran led to riots and hundreds of people dying.

The cross sometimes has special meaning. The symbolic meaning of the toppling of the statue of Saddam Hussein was not lost on the Iraqi people or the other people around the world.

But its symbolic value. The buildings that were destroyed or attempted to be destroyed during 9/11 were not randomly chosen. The World Trade Center symbolized the U.S. economy. The Pentagon symbolized our military; and probably this building was also targeted because it symbolized the government.

And so for millions of Americans, the flag symbolizes the very essence of this country. It is more than fabric. It is what gives this Nation meaning. Mil- lions have fought under this banner. Lions have fought under this banner. What gives this Nation meaning. Millions of Americans have fought under this banner. Hundreds of thousands have died under the banner. Many have died on the battlefield simply protecting the flag itself, keeping it from being captured or from being hit by the ground.

And so for 200 years, this was a commonly accepted understanding of the importance of the flag, the symbolic meaning of the flag. And then came two Supreme Court decisions in the 1980s which allowed flag desecration under the banner of free speech, which has really offended a great many people in this country. I think an overwhelming number of States, more than 80 percent of U.S. citizens, disagree with those Supreme Court decisions.

So I urge my colleagues to support H.J. Resolution 10, which states, "The Congress shall have power to prohibit the physical desecration of the flag of the United States of America."

Mr. Speaker, I thank the gentleman from Wisconsin (Mr. SENSENBRENNER) for his stand on this issue and for giving me this time to express my views.

Mr. NADLER. Mr. Speaker, I yield myself as the next speaker.

Mr. Speaker, I want to begin by reading excerpts of an article written in the "Retired Officer," a veterans magazine, by a Major James Warner, who was a POW in Vietnam for 6 years. He writes as follows, "In March of 1973, when we were released from a prisoner-of-war camp in North Vietnam, we were flown to Clark Air Base in the Philippines."

"For me, that would be a badge of honor. But I think this constitutional amendment is an overreaction to a nonexisting problem. Keep in mind the Constitution has only been amended 17 times since the Bill of Rights was passed in 1791. This is the same Constitution that abolished slavery, gave blacks and women the right to vote, and guaranteed freedom of speech and freedom of religion."

Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. STAEKNS).

Mr. STAEKNS. Mr. Speaker, I thank the gentleman from New York (Mr. NADLER) for yielding me time.

Mr. Speaker, I rise today in opposition to H.J. Res. 10, which would amend the Constitution to allow Congress to pass laws banning the desecration of the flag. I find it abhorrent anyone would burn our flag, and if I saw someone desecrating the flag, I would do what I could to stop them, at risk of injury or incarceration.

For me, that would be a badge of honor. But I think this constitutional amendment is an overreaction to a nonexisting problem. Keep in mind the Constitution has only been amended 17 times since the Bill of Rights was passed in 1791. This is the same Constitution that abolished slavery, gave blacks and women the right to vote, and guaranteed freedom of speech and freedom of religion."

Mr. Speaker, I urge a no vote on this proposed amendment."

Mr. SENSENBRENNER. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Speaker, symbols matter. Certainly the cross has special meaning for millions of people. The menorah, the Koran, we saw that recently where false reports on desecration of the Koran led to riots and hundreds of people dying.

The cross sometimes has special meaning. The symbolic meaning of the toppling of the statue of Saddam Hussein was not lost on the Iraqi people or the other people around the world.

But its symbolic value. The buildings that were destroyed or attempted to be destroyed during 9/11 were not randomly chosen. The World Trade Center symbolized the U.S. economy. The Pentagon symbolized our military; and probably this building was also targeted because it symbolized the government.

And so for millions of Americans, the flag symbolizes the very essence of this country. It is more than fabric. It is what gives this Nation meaning. Millions have fought under this banner. Lions have fought under this banner. What gives this Nation meaning. Millions of Americans have fought under this banner. Hundreds of thousands have died under the banner. Many have died on the battlefield simply protecting the flag itself, keeping it from being captured or from being hit by the ground.

And so for 200 years, this was a commonly accepted understanding of the importance of the flag, the symbolic meaning of the flag. And then came two Supreme Court decisions in the 1980s which allowed flag desecration under the banner of free speech, which has really offended a great many people in this country. I think an overwhelming number of States, more than 80 percent of U.S. citizens, disagree with those Supreme Court decisions.

So I urge my colleagues to support H.J. Resolution 10, which states, "The Congress shall have power to prohibit the physical desecration of the flag of the United States of America."

Mr. Speaker, I thank the gentleman from Wisconsin (Mr. SENSENBRENNER) for his stand on this issue and for giving me this time to express my views.

Mr. NADLER. Mr. Speaker, I yield myself as the next speaker.

Mr. Speaker, I want to begin by reading excerpts of an article written in the "Retired Officer," a veterans magazine, by a Major James Warner, who was a POW in Vietnam for 6 years. He writes as follows, "In March of 1973, when we were released from a prisoner-of-war camp in North Vietnam, we were flown to Clark Air Base in the Philippines."

"As I stepped out of the aircraft, I looked up and saw the flag. I caught my breath then as tears filled my eyes. I saluted it. I never loved my country more than at that moment. Although I had received a Silver Star medal, and two Purple Hearts, this was nothing compared to the gratitude that I felt then for having been allowed to serve the cause of freedom.

"Because the mere sight of the flag meant so much to me when I saw it for the first time, it hurts me to see other Americans willfully desecrate it. It hurts to see the flag burned, but I part company with those who want to punish the flag burners. Let me explain myself."

He then goes on to talk about his experience in the POW camp. He says, "I remember one interrogation where I was shown a photograph of some Americans protesting the war by burning a flag. See, the officer said, people in your country, citizens of your country, are saying that they hold a minority view. Mr. Speaker, I urge a no vote on this proposed amendment."
with this constitutional amendment. This amendment does not really restrict freedom of expression, because no idea or viewpoint would be suppressed. Anyone can still freely say that they hate America and everything for which it stands, they just cannot burn a flag to prove their point.

There are so many exceptions to free speech: Child pornography, cross burning, libel, fighting words. We are merely looking at a very extremely narrow exception to prevent the desecration of the symbol that represents so many wonderful things to so many people at home and around the world.

Mr. Speaker, I would finally point out to my colleagues that it is against Federal law to burn U.S. currency or willfully destroy U.S. mailboxes; yet we cannot protect the American flag? Mr. Speaker, I believe that we have a constitutional justification for this amendment. We also have the support of all 50 States and 80 percent of the American people. I urge my colleagues to support this amendment.

Mr. NADLER. Mr. Speaker, I yield myself as I may consume. Mr. Speaker, the fact of the matter is, there have been thousands of amendments introduced, thousands of proposed amendments introduced to the Constitution of the United States. Only 17 have been adopted since 1791 after the Bill of Rights.

Amendments were proposed after most unpopular Supreme Court decisions. After the one-man, one-vote decision in 1960, whatever it was, where they said you had to reapportion based on population, there were amendments introduced. Amendments have been introduced after every unpopular decision of the Supreme Court.

It is deliberately difficult to amend the Constitution because the framers of the Constitution were afraid of transient majorities. They were afraid of the public will being able to be manipulated and distorted to make changes to the Constitution so it would not be amended very often, and only under dire necessity. What is the dire necessity here?

What is the dire necessity, that in the last 24 hours or so I have heard somewhere 119 people have burned the flag. Well, a lot more than 119 people have burned the flag. Most, however, have burned the flag to dispose of it, which is the appropriate, if not disposing of it.

I have heard the gentleman from Florida (Mr. STEARNS) say, and others say, this has nothing to do with free speech. People can say anything they want. But it is burning the flag. But the fact is, it is very much free speech.

That is why the Supreme Court decided as it did, because burning the flag for a proper purpose, that is, to say an approved purpose, to destroy it, to destroy it is approved. Not burning the flag to express an unpopular viewpoint, we do not agree with the administration in power about whatever, that would be made a crime.

So what is the real essence of the crime? Burning the flag in connection with unpopular speech. If you burn it in connection with popular speech, we respect the flag and we dispose of this, or this connection with popular speech because you are an actor playing the British burning Washington in 1814, that is okay. So this gets at the heart of free speech.

Now, it may not be all that important right now, and it is not. We do not see any epidemic of people burning flags. We have no great emotional issue at the moment that have people marching in the streets. Since the gentleman from Arkansas (Mr. SNYDER) pointed out, at times in our history we have, and at times in our history people have been persecuted and free speech has been violated. We should not repeat that.

We should not make it easier at times of emotion in the future on issues we cannot now foresee for unpopular minorities to be bullied. We should not make it easier for unpopular minorities to have their free speech trampled or to give weapons to a future government with which to trample free speech.

We all love the flag. No one is divided against the flag. We have no great emotional issue here.

The cloth of the flag is not what we revere. What we revere is the idea of the flag and the Republic for which it stands, perhaps in a way, I would want to say better than others, but that would be a little arrogant, but to understand that as we do, understand the dual meaning of liberty and the meaning of what this country stands for, perhaps in a way, I would want to say better than others, but that would be a little arrogant, but to understand that as we do, understand that the dual meaning of this country is to permit free speech, to magnify free speech, to magnify free speech of those we do not agree with, of those we find obnoxious. And what this amendment does is to sacrifice that.

Mr. HOYER. Mr. Speaker, I rise today in opposition to H.J. Res. 10, the proposed constitutional amendment to prohibit the physical desecration of our flag. And, in this respect, I take no pleasure in doing so: Like the vast majority of Americans, I too condemn those malcontents who would desecrate our flag—a universal symbol for democracy, freedom and liberty—to grab attention for themselves and inflame the passions of patriotic Americans. Without doubt, those misfits who desecrate our flag deserve our contempt.

Further, I fully appreciate and respect the motivations of those who support this amendment, particularly the patriotic men and women who so faithfully served this Nation in our armed services and in other capacities. Their strong feelings on this issue should neither be questioned nor underestimated. They deserve our respect.

However, I respectfully disagree with them and will oppose this amendment for the reasons so eloquently articulated by Senator MITCH MCCONNELL of Kentucky. In opposing a similar amendment a few years ago, Senator MCCONNELL stated that it “rips the fabric of our Constitution at its very center: the First Amendment.” He added, “Our respect and reverence for the flag should not provoke us to damage our Constitution, even in the name of patriotism.”

The fact of the matter is the opposition amendment does not so much encourage patriotism as it would create a new standard, a new way to deal with specific circumstances every time we are offended.

No amount of rhetoric about flag burning will hide our failure to spotlight how Congress is failing to deal with specific circumstances every time we are offended.

So what is the real essence of the crime? Burning the flag in connection with unpopular speech. If you burn it in connection with popular speech, we respect the flag and we dispose of this, or this connection with popular speech because you are an actor playing the British burning Washington in 1814, that is okay. So this gets at the heart of free speech.

What is the dire necessity, that in the last 24 hours or so I have heard somewhere 119 people have burned the flag. Well, a lot more than 119 people have burned the flag. Most, however, have burned the flag to dispose of it, which is the appropriate, if not disposing of it.
to preserve the flag’s special role is not to punish those who feel differently about these matters. It is to persuade them that they are wrong. . . . We can imagine no more appropriate response to burning a flag than waving one’s own.”

Furthermore, it troubles me that this amendment, if approved, would enshrine the vile actions of a few provocateurs into the very document that guarantees freedom of speech, freedom of religion, freedom of the press, freedom of assembly, and freedom to petition the government. That document, of course, is our Constitution.

In more than 200 years, our Constitution has been amended only 27 times, and nearly all of those amendments guarantee or expand rights, liberties and freedoms. Only one amendment—prohibition—constricted freedoms and soon was repealed.

I simply do not believe that our traditions, our values, our democratic principles—all embodied in our Constitution and the Bill of Rights—should be overriden to prohibit this particular manner of speech, even though I completely understand and respect it.

Free speech is often a double-edged sword. However, if we value the freedoms that define us as Americans, we should refrain from amending the Constitution to limit those same freedoms to avoid being offended.

I recognize that if we approve this amendment, we put our great Nation in the company of the oppressive regimes in China, Iran, and Cuba—all of whom have similar laws protecting their flags. Needless to say, when it comes to free speech, the United States of America is the world’s leader. It does not follow China, Iran or Cuba.

Our flag is far more than a piece of cloth, a few stripes, 50 stars. Our flag is a universal symbol for freedom, liberty, human rights and decency that is recognized throughout the world. The inflammatory actions of a few misfits cannot extinguish those ideals. We can only do that ourselves. And I submit that a constitutional amendment to restrict speech—even speech such as this—is the surest way to stoke the embers of those who will push for even more restrictions.

Mr. STARK. Mr. Speaker, I rise in opposition to H.J. Res. 10, which proposes a Constitutional amendment to ban desecration of the flag, because what people do with a piece of fabric, however meaningful, is not worthy of Congressional intervention. Flag burning has as much to do with patriotism as weapons of mass destruction had to do with our invasion of Iraq.

This is not the first time the Republican Majority has sought to divert attention from other-wise pressing issues. This body could be focusing on providing health insurance to our Nation’s 45 million uninsured, improving our public education system, addressing our swollen deficit, or any number of equally important issues. Instead we are mired in the issues of Terri Schiavo, steroids in professional sports and flag burning.

If we wanted to show our patriotism and support our troops there are tangible options available. We could focus, instead, on providing them with enough bulletproof vests, ensuring veterans have access to the best possible health care, and sending our troops into war only as a last resort. Perhaps if the members of this body were so concerned with a symbol of democracy, an effort could be made by our leaders to hold themselves to the highest ethical standards.

Mr. Speaker, how patriotic do you think the American people feel when a chief negotiator of the Medicare drug bill leaves Congress to become the head of the pharmaceutical industry’s lobbying group, much prior to Americans when they learn that the President was planning to invade Iraq months before he bothered to tell them about it? How should the American people feel when they learn the Republican Majority votes to cut health care for millions of impoverished Americans and funnels funding for no-bid defense contracts to Halliburton?

The Republican Majority consistently doesn’t support our troops and has sold the government to the nation’s wealthiest corporations; a debate about flag burning will not change these facts. Mr. Speaker, I will not vote to undermine our freedoms and make a mockery of our Constitution.

Mr. KIND. Mr. Speaker, I rise to join in this serious debate over the First Amendment and our Nation’s backbones, the most sacred institutions to this country.

America is somewhat unique in its devotion to the Nation’s flag. Perhaps because we come from so many different backgrounds, cultural traditions, and ethnicities, we see the flag as a symbol of our common heritage. Like the majority of Americans, I have the utmost respect and reverence for our flag. For all of us, this reverence begins early on, when as school children we are taught the Pledge of Allegiance and recite it each day with our classmates. Or in the times when we attend a Memorial Day Parade with our parents and look in awe at the veterans, young and old, who still carry the flag with such pride. Seeing the flag treated with this reverence is a powerful lesson for our young people and makes them incredibly proud to be Americans.

The times I have been most proud of my country have been during my two trips to Iraq. Seeing our young men and women in uniform carrying out their mission under dangerous and difficult conditions is an inspiring thing. Seeing our flag fly high and proud all the time it represents makes me so grateful to have grown up in this country and to have some small part in helping our troops.

I was struck, during my visits to the country, with how dedicated our servicemen and women are to helping everyday Iraqis. Our men and women in uniform appreciate the freedoms afforded to them, and are eager to see Iraqi citizens enjoy these same freedoms. Mr. Speaker, I believe one of our greatest freedoms is freedom of speech. Our forefathers, during our fight for freedom, fought for freedom of speech and expression.

In deference to our forefathers and out of respect for the brave patriots today who are serving overseas, I cannot in good conscience support this amendment. Burning or desecrating the American flag is an abhorrent action for which I have nothing but contempt. Much as I hate the act, it is not right to deny an American the freedom to express himself in this shameful way.

I would like to close by quoting a man who knows much of patriotism and freedom.

Former soldier and Secretary of State Colin Powell, when asked for his views on this issue, said, “The First Amendment exists to ensure that freedom of speech and expression applies not just to that with which we agree or disagree, but also that which we find outrageous. I would not amend that great shield of democracy to harm our sentiments. This flag will still be flying proudly long after they have sunk away.”

Mr. MORAN of Virginia. Mr. Speaker, I rise in opposition to this resolution because I disagree with this attempt to muzzle our First Amendment rights.

I understand and acknowledge the passion that my friends and colleagues demonstrate today. It is disturbing to see images of someone burning the flag of the United States, particularly when we reflect upon the countless men and women who have given up their lives defending this symbol of freedom.

When I was first elected to the House, I co-sponsored a flag burning amendment. I did so for many of the same reasons that proponents of the amendment have expressed today. And looking back, I was moved by my heart than by my head.

History reminds us that the strength of America is derived from its basic ideals, one of the most important of which is tolerance for the full expression of ideas, even the acts that we find unacceptable. As our Founding Fathers originally intended, the First Amendment to the Constitution has safeguarded the freedom of expression. Tested through times of war and peace, Americans have been able to write or publish almost anything without interference, to practice their religion freely and to protest against the Government in almost every way imaginable.

It is a sign of our strength that, unlike so many repressive nations on earth, ours is a country that not only accommodates a wide-ranging public debate, but encourages it.

Mr. Speaker, a friend of mine and former Senator of Virginia, Chuck Robb, is a man who sacrificed greatly for his nation, in both the Vietnam War and in his political career. Exemplifying a “profile in courage” Senator Robb stood against flag burning when he was a Virginia attorney general and he voted against this amendment in order to defend the very freedoms that the American flag represents.

In his moving Senate floor statement, Senator Robb described how as a soldier he had been prepared to give up his life in the Vietnam War in order to protect the very freedoms that this constitutional amendment would suppress. By showing the courage to vote against this amendment, he jeopardized his political career and subsequently lost his bid for reelection.

Not having fought in a war, I should do no less than Senator Robb did in defense of freedom he and so many of my peers were willing to defend with their lives.

Mr. Speaker, this amendment should be defeated. In our hearts and our minds we know that flag burning is not a threat to our freedom, limiting the exercise of individual liberty is.

Mr. SIMMONS. Mr. Speaker, I rise today in strong support of House Joint Resolution 4, the Constitutional Amendment to prohibit flag desecration.

Our flag is the strongest symbol of America’s character and values. It tells the story of victories won—and battles lost—in defending
the principles of freedom and democracy. These are stories of men and women from all walks of life who put their lives on hold to serve our Nation. Many of those brave Americans never returned home from distant battlefields. The flag reminds us of the sacrifices they made at Gettysburg, San Juan Hill, Iwo Jima, Normandy Beach, Korea, Da Nang, Kuwait, Afghanistan, Iraq and other places where America’s men and women in uniform placed honor and duty above self. These Americans had a powerful symbol uniting them—the American flag. The American flag belongs to them and none of us.

Critics of the amendment say it interferes with freedom of speech. They are wrong. It does not interfere with freedom of speech. Americans have access to public television; they can write letters to the editor to express their beliefs; they can speak freely at public forums; they can share their views with listeners by calling into radio stations. I meet with constituents everyday in order to best represent their interests in Washington. Americans can stand on the steps of their own City Hall or on the steps of our nation’s Capitol to demonstrate their cause. Protecting the American flag from desecration does not deprive any American of the opportunity to speak clearly, openly and freely.

Let us be aware that it is speech, not action, that is protected by the Constitution. Our Founding Fathers protected free speech and freedom of the press because in a democracy, words are used to debate, persuade and to educate. A democracy must protect free and open debate, regardless of how disagreeable some may find the views of others. Protecting the flag is a continuation of that tradition.

In 1989, in the case of Texas versus Gregory Lee Johnson, the Supreme Court ruled that a state flag protection statute was unconstitutional. The court was in error. It was not the thoughts or opinions expressed by Mr. Johnson that the Texas law restricted but the manner in which he expressed his thoughts and opinions. Mr. Johnson was free to speak his mind without fear of censorship. That freedom is protected by the First Amendment. But desecrating the flag is not speech; it is action and action is not protected. For example, an individual is free to speak about the need for America to conserve its environment, but the individual would not be free to express those thoughts by destroying oil derricks. There is a difference between action and speech.

The proposed amendment would protect the flag from desecration, not from burning. As a member of the American Legion, I have superintended the disposal of over 7,000 unserviceable flags. But this burning is done with ceremony and respect. This is not flag desecration. More than 70 percent of the American people want the opportunity to vote to protect their flag. Numerous organizations, including the Medal of Honor Recipients for the Flag, the American Legion, the American War Mothers, the American G.I. Forum, and the African American Women’s Clergy Association all support this amendment.

All fifty states have passed resolutions calling for constitutional protection for the flag. In the last Congress, the House of Representatives overwhelmingly passed this amendment by a vote of 298 to 125, and will rightfully pass it again this year.

Mr. Speaker, I am proud to be an original cosponsor of H.J. Res. 4 and ask that my colleagues join me in supporting this important resolution that means so much to so many. Mr. SHUSTER. Mr. Speaker, I rise today to urge my colleagues to support H.J. Res. 10, the “Flag Protection Amendment.” Every day we rise with dignity to salute and pledge allegiance to our Nation’s flag. We do so because our flag stands for liberty, democracy, and all the sacred ideals that allow us to rise here at all.

The stars-and-stripes are recognized in almost every corner of the globe as an emblem of liberating hope. This great symbol we respect so much has cloaked the bodies of our fallen brave and graced the final moments of our presidents. On American soil, she stands tall before all other flags and is lowered in sorrow only for the greatest of patriots. She waves from our homes and churches and crowns our Nation’s greatest houses of freedom, including the one in which we now deliberate.

Our flag is handled with the utmost care by those who have worked hardest to sustain and protect what she stands for, by those who have dedicated their lives to her. Let us never forget their sacrifice and remain diligent in protecting the greatest symbol of democracy and freedom from desecration.

We would not tolerate the desecration of this or any other public building. We would never tolerate the desecration of our Nation’s hallowed graves or places of worship. We would never stand idly by if Lady Liberty, the Washington Monument, or the Liberty Bell were inninged and dragged into the streets. Why then should we leave our Nation’s most cherished and recognized symbol vulnerable and unprotected in the very land that had its birth beneath her glorious colors?

I urge my colleagues to ensure that our beloved banner will survive, unscathed, every “twilight’s last gleaming.” Guarantee that within our borders she will forever wave proudly “o’er the land of the free and the home of the brave.”

Please join me in voting for H.J. Res. 10, the “Flag Protection Amendment.”

Mr. HOLT. Mr. Speaker, I rise today in opposition to this amendment. Just as everyone here today, I view the American flag with a special reverence, and I am deeply offended when people burn or otherwise abuse this precious national symbol.

At the start of the town hall meeting I host in my district, I always try take a few moments to lead those in attendance in the pledge of allegiance. I think this is an important and valuable portion of my town hall meetings when I have 7,000 unserviceable flags to remind me of the deep respect of both our flag and our system of government—which our flag represents.

What makes America a great and free society, is our system of government and our Constitution. Our Constitution is the document that provides the basis for our great country. It is the foundation of our government. For over two centuries, the Constitution—the greatest invention of humans—has allowed our diverse people to live together, to balance our various interests, and to thrive. It has provided each citizen with broad, basic rights.

The Constitution doesn’t fly majestically in front of government buildings. We do not pledge allegiance to it each day. Yet, it is the source of our freedom. It tells us that we are free to assemble peacefully. We are free to petition our government; we are free to worship without interference; free from unlawful search and seizure; and free to choose our leaders. It secures the right and means of voting. It is these freedoms that define what it is to be an American.

As a Member of Congress, I took an oath of office in which I swore “... that I will support and defend the Constitution of the United States.” In fact, new citizens to our great nation make a similar pledge when they are sworn in as U.S. citizens. It is important to note that I am entrusted with the obligation to defend the Constitution, the symbols of our Nation. The Founders knew that it is our system of government that is essential to who we are as a people and what we stand for. While I deeply value the flag as a symbol of our Nation, what we need to ensure is that we protect the values and ideals of our country as contained within the Constitution.

In its more than 200 years, the Constitution has been amended only 27 times. With the exception of the Eighteenth Amendment, which was later repealed, these amendments have reaffirmed and expanded individual freedoms and the specific mechanisms that allow our self-government to function.

This Resolution before us today would not perfect the operation of our self-government. It would not expand our citizens’ rights. Proponents of this constitutional amendment argue that we need to respect our flag. I believe that the vast majority of Americans already respect our flag, and I am unaware of a flag burning epidemic in America. To me this Resolution is a solution in search of a problem.

Let me be clear, it is wrong to desecrate or defile an American flag in any way. But making it unconstitutional will not prevent these incidents from occurring. What we should do, as a government and as American citizens, is promote civic values and a greater understanding of our democracy. We should encourage civic education in our schools and communities. People who understand the ideals of our country will also understand and value the symbols of our great Nation.

The issue before us is whether our Constitution should be amended so that the Federal Government can prosecute the handful of Americans who show disrespect for the flag. To quote James Madison, is this a “great and extraordinary occasion” justifying the use of a constitutional amendment? The answer is no; this is not such an occasion. I oppose this amendment because I believe that while attempting to preserve the symbol of the freedoms we enjoy in this country, it actually would harm the values and ideals that created these freedoms.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to oppose this amendment to the Constitution. When Framer Thomas Jefferson penned the Declaration of Independence, he wrote that:

We, therefore, the Representatives of the United States of America, in General Congress, assembled, solemnly publish and declare, that these colonies are . . . free and
This amendment would be the beginning, not the end, of a process to regulate a certain form of expression. It empowers Congress to begin the task of defining what the "flag" and "desecration" mean. The use of the flag as a symbol is ubiquitous, from commerce, to art, to memorials, such that Congress would require specific laws to define broad rules for specific applications. Congress, the courts, and law enforcement agents would have to judge whether displaying the flag on Polo jeans is "desecration," but the Smithsonian's recent removal of two million stitches from a flag that inspired Frances Scott Key, is not.

The United States Supreme Court has ruled consistently that flag burning is a form of speech protected by the First Amendment. In Texas v. Johnson (1989), the Supreme Court held it unconstitutional to apply to a US Army soldier 

Mr. Speaker, many of our brave soldiers are working hard to defend our country and our Constitution. We risk our comfort, our safety and our lives for what we believe in.

This quote says it all—our brave soldiers fighting on the battlefields see the Constitution as only something that results in casualties. When we trivialize the Constitution by haphazardly amending it based on personal proclivities, we frustrate the sacrifices of our troops.

In his 1859 essay On Liberty, John Stuart Mill recognized the public good and enlightenment which results from the free exchange of ideas. He writes:

First, if any expression is compelled to silence, that opinion for aught we can certainly know, be true . . . Secondly, though this silenced opinion be in error, it may, and very commonly does, contain a portion of the truth . . . Thirdly, even if the received opinion be not only true but the whole truth; unless it is suffered to be and actually is, vigorously and earnestly contested, it will by most of those who receive it, be held in the manner of a prejudice.

There is a distinct difference between real and forced patriotism. Freedom cannot survive if exceptions to the First Amendment are made when someone in power disagrees with an expression! If we allow that, our right to free speech will depend on what Congress finds acceptable, precisely what the First Amendment was designed to prevent.

This amendment may provoke rather than diminish the very acts it purports to curtail. Our Nation’s experiment with an amendment to the Constitution concerning Flag Desecration shows that a cure by amendment to the Constitution may itself incite harm of the very nature it seeks to prevent.

The flag desecration amendment is a solution in search of a problem. The expressive, act, burning a flag, which this amendment attempts to prevent, is already considered to be and actually is, a form of speech protected by the First Amendment. As such, it is not subject to Congress’s authority to regulate speech.

Mr. Speaker, my hometown of Findlay, Ohio, is well known for its civic pride and recognition of D.U.C. Cunningham as one of their main causes. When we celebrate that:

We should resist the temptation to clutter up the Constitution with amendments relating to substantive matters. We must avoid the obvious unwisdom of trying to solve tomorrow’s problems today and the insidious danger of the weakening effect of such amendments on the moral force of the Constitution.

I continue to share the sentiment and spirit of this quote with my colleagues on the other side of the aisle because they continue to tread the unwise path of unnecessarily amending the Constitution. Mr. Speaker, for these reasons, I strenuously urge my colleagues to vote “no” on H.J. Res. 10.

Mr. OXLEY. Mr. Speaker, I stand in strong support of H.J. Res. 10, which calls for a constitutional amendment permitting Congress to protect our nation’s flag.

Mr. Speaker, every day, at home and abroad, our brave men and women in uniform are on guard to defend our country and our Constitution from those who have no respect for either. In my opinion, anyone who thinks that burning the flag under which they serve would be an effective way to influence public opinion is grossly mistaken. And I think to say we need to amend the constitution in order to respond to people suffering from that delusion is to give them more importance than they deserve.

For the benefit of our colleagues, I attach the text of the newspaper editorial to which I referred earlier.

[From the Rocky Mountain News, Sept. 17, 2004]

FLAG-BURNING ISSUE A WASTE OF TIME

Today is the 217th anniversary of the signing of our Constitution. To celebrate that happy event, the White House has announced that scholar and historian Lynne Cheney, the wife of the vice president, will speak at Gunston Hall Plantation in northern Virginia.

Gunston Hall was the home of George Mason, whom the White House properly described as “Father of America’s Bill of
We disagree. I believe we, as individuals, whom we agree and, yes, those with whom freedom must be maintained for those with and opportunity. In the true spirit of America, under the First Amendment.

It is political speech and, therefore, protected by the Bill of Rights that guarantees our freedom of expression including dissent. Individual freedom and opportunity have built our nation into the strongest on earth where liberties are enshrined in our Constitution. The First Amendment to the Constitution protects free speech and allows us to openly debate any position to H.J. Res. 10, proposing an amendment to the Constitution of the United States. Since 1980, I have voted in opposition to a Constitutional amendment banning flag desecration or flag burning. I find flag desecration disgraceful, and I get as angry as anyone does when I see or hear about such things. But, I do not believe we should amend the U.S. Constitution to deal with this matter.

Not once during the 15 years I have voted on this amendment to the Constitution has a crisis occurred with people burning flags. As a combat veteran of the Vietnam War, I know well the sacrifices that have been made by many generations of Americans to protect our freedom. We, as Americans, should honor our flag. It is a symbol of our freedom. I am immensely gratified when I see all the flags flying in the face of terrorist attacks and in support of our troops fighting overseas. They make me very proud.

However, I am not at all comfortable with changing the Bill of Rights that guarantees our freedoms. The Bill of Rights guarantees freedom of expression including dissent. Individual freedom and opportunity have built our nation into the strongest on earth where liberties are enshrined in our Constitution. The First Amendment to the Constitution protects free speech and allows us to openly debate any issue in this country. As vile as flag desecration may be, the Supreme Court has ruled that it is political speech and, therefore, protected under the First Amendment.

I remain committed to preserving freedom and opportunity. In the true spirit of America, freedom must be maintained for those with whom we agree and, yes, those with whom we disagree. I believe we, as individuals, should not make the flag a symbol of the American flag. Applying government coercion to prevent flag desecration actually chips away at that freedom of expression.

Old Glory can withstand a few exhibitionists. Lynne Cheney is the ideal person, Gunston Hall the ideal venue, and Constitution Day the ideal occasion to denounce this latest attempt to undo George Mason’s handwriting.

Mr. KOESE. Mr. Speaker, today, I rise in opposition to H.J. Res. 10, proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States. Since 1980, I have voted in opposition to a Constitutional amendment banning flag desecration or flag burning. I find flag desecration disgraceful, and I get as angry as anyone does when I see or hear about such things. But, I do not believe we should amend the U.S. Constitution to deal with this matter.

Not once during the 15 years I have voted on this amendment to the Constitution has a crisis occurred with people burning flags. As a combat veteran of the Vietnam War, I know well the sacrifices that have been made by many generations of Americans to protect our freedom. We, as Americans, should honor our flag. It is a symbol of our freedom. I am immensely gratified when I see all the flags flying in the face of terrorist attacks and in support of our troops fighting overseas. They make me very proud.

However, I am not at all comfortable with changing the Bill of Rights that guarantees our freedoms. The Bill of Rights guarantees freedom of expression including dissent. Individual freedom and opportunity have built our nation into the strongest on earth where liberties are enshrined in our Constitution. The First Amendment to the Constitution protects free speech and allows us to openly debate any issue in this country. As vile as flag desecration may be, the Supreme Court has ruled that it is political speech and, therefore, protected under the First Amendment.

I remain committed to preserving freedom and opportunity. In the true spirit of America, freedom must be maintained for those with whom we agree and, yes, those with whom we disagree. I believe we, as individuals, should not make the flag a symbol of American freedom. Applying government coercion to prevent flag desecration actually chips away at that freedom of expression.

Mr. KOESE. Mr. Speaker, today, I rise in opposition to H.J. Res. 10, proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States. Since 1980, I have voted in opposition to a Constitutional amendment banning flag desecration or flag burning. I find flag desecration disgraceful, and I get as angry as anyone does when I see or hear about such things. But, I do not believe we should amend the U.S. Constitution to deal with this matter.

Not once during the 15 years I have voted on this amendment to the Constitution has a crisis occurred with people burning flags. As a combat veteran of the Vietnam War, I know well the sacrifices that have been made by many generations of Americans to protect our freedom. We, as Americans, should honor our flag. It is a symbol of our freedom. I am immensely gratified when I see all the flags flying in the face of terrorist attacks and in support of our troops fighting overseas. They make me very proud.

However, I am not at all comfortable with changing the Bill of Rights that guarantees our freedoms. The Bill of Rights guarantees freedom of expression including dissent. Individual freedom and opportunity have built our nation into the strongest on earth where liberties are enshrined in our Constitution. The First Amendment to the Constitution protects free speech and allows us to openly debate any issue in this country. As vile as flag desecration may be, the Supreme Court has ruled that it is political speech and, therefore, protected under the First Amendment.

I remain committed to preserving freedom and opportunity. In the true spirit of America, freedom must be maintained for those with whom we agree and, yes, those with whom we disagree. I believe we, as individuals, should not make the flag a symbol of American freedom. Applying government coercion to prevent flag desecration actually chips away at that freedom of expression.
“The first amendment exists to ensure that freedom of speech and expression applies not just to that with which we agree or disagree, but also to that which we find outrageous. I would not amend that great shield of democracy, the Constitution, to humor a few miscreants.”

“Then the flag will be flying proudly long after they have slunk away.” And that is the end of his quote for my purposes today.

It is the underlying values represented by the flag, not the cloth on which they are sewn, that our Constitution protects. Those are the values my amendment would preserve.

Mr. Speaker, following the horrific acts of terrorism against our country, our citizens were repeatedly cautioned not to cower in the face of terrorism. Do not curtail our freedoms, we were told, for to do so would be to surrender our way of life, to give up and give in to the terrorists. The terrorists would win.

I think if we pass the amendment as it has been proposed, we give in to those miscreants, as Colin Powell has characterized them, those people who we disagree with. We should be protected from their first amendment freedoms. I want to put this in context. I started by saying that I used to resent this discussion that I had participated in law school. He simply asked me one question. He said, Do you not believe in the first amendment?

This is a difficult issue, and this is not about patriotism, and I have come to understand over the years of debate that we have had this amendment under consideration, I started out saying to people on the opposite side, people like the gentleman from California (Mr. CUNNINGHAM) and people who served their country. You are unpatriotic because you do not agree with me about my interpretation of the first amendment; the first amendment was passed to protect the right of people to demonstrate against going to school with African Americans?

But then I started to listen to what the gentleman from California (Mr. CUNNINGHAM) was saying and what my colleagues were saying and studied this issue more. Could it be that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective? That is, can you imagine the debate that was taking place in the Supreme Court? I cannot imagine that Justice Scalia and Justice Rehnquist could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective? That is, can you imagine the debate that was taking place in the Supreme Court? I cannot imagine that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective?

And then I started to listen to what the gentleman from California (Mr. CUNNINGHAM) was saying and what my colleagues were saying and studied this issue more. Could it be that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective? That is, can you imagine the debate that was taking place in the Supreme Court? I cannot imagine that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective?

But then I started to listen to what the gentleman from California (Mr. CUNNINGHAM) was saying and what my colleagues were saying and studied this issue more. Could it be that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective? That is, can you imagine the debate that was taking place in the Supreme Court? I cannot imagine that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective?

And then I started to listen to what the gentleman from California (Mr. CUNNINGHAM) was saying and what my colleagues were saying and studied this issue more. Could it be that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective? That is, can you imagine the debate that was taking place in the Supreme Court? I cannot imagine that Justice Scalia and Justice Rehnquist, two conservative jurists, could be on opposite sides of this issue and it not be a difficult issue from a constitutional perspective?
means. It is going to have to decide how we balance this provision, this statute, statutory authority that Congress gives against the first amendment. We are not going to be able to get around the Supreme Court here.

We like to punt these things and pretend that we are doing something earth shattering here, but the Supreme Court, I hope, is still going to be there, and I believe the Supreme Court is going to wrestle with this as they have in the past.

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

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

Mr. Speaker, I have listened attentively to the arguments made by the gentleman from North Carolina (Mr. WATT) in support of his amendment, and he said that his amendment is redundant. It is redundant, but it also is a gutting amendment to the base text of the constitutional amendment that we are debating today.

This substitute amendment should be rejected. It would constitutionally ratify the Supreme Court’s decision in Texas v. Johnson and United States v. Eichman, rather than empower Congress to pass legislation to protect the flag from physical desecration.

In Johnson and Eichman, the Supreme Court held that flag desecration is expressive conduct protected by the first amendment. These decisions effectively invalidated the laws of 49 States and the Federal Government. In addition, based on these precedents, any law that prohibits the physical desecration of the flag will be struck down as an unconstitutional suppression of free expression, thus defeating the goal of our efforts to provide protection for the flag.

A constitutional amendment must be passed if the flag is to receive legal protection. Under the Watt substitute, the flag would not receive such protection because the Court would simply strike down as inconsistent to the first amendment any implementing legislation enacted into law.

Adoption of the substitute would not only render H.J. Res. 10 ineffective, but it would also constitutionally codify the Supreme Court decisions that a vast majority of the American public were erroneously decided, and which did not exist for the first 200 years of the Constitution’s existence.

In other words, if the Watt amendment is passed and then a constitutional amendment is passed and ratified by the States, the Supreme Court can, in the future, recognize that it made a mistake, and that is why this amendment should be rejected.

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

Mr. WATT. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from North Carolina (Mr. WATT) has 11 minutes remaining.

Mr. WATT. Mr. Speaker, I yield myself 1 minute just for the purpose of responding to this.

I do not agree at all with my chair, as much as I respect him, that this codifies anything. What it does is that it codifies and affirms and acknowledges the state of affairs that exists right now, that in the final analysis the Supreme Court is the ultimate arbiter of the Constitution and laws of our country. After we pass my amendment or the underlying amendment, the Supreme Court is still going to be the ultimate arbiter of that, and so my amendment neither does that or does not do it.

His amendment does not do it. If the Supreme Court changes its mind, the composition of the Supreme Court changes, and they decide that burning a flag is prohibited, is not protected under the first amendment, then that is going to be the last word on it. We do not have any way to go on that.

So I do not have any disagreement with him that I am doing anything different than preserving the state of affairs.

Mr. Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. SCOTT), my good friend.

Mr. SCOTT of Virginia. Mr. Speaker, let me just begin by saying our flag does not need protection from an occasional poster, we call them miscreants I think, who cannot see how ridiculous it is to try to protest by destroying the symbol of his right to protest. If he cannot see how ridiculous that is, obviously we do not need much protection from him.

Contrary to what has been suggested on the floor, the underlying amendment does not regulate conduct. Without the Watt amendment, it clearly regulates message.

Now, as the gentleman from North Carolina, sponsor of the amendment, points out, the underlying amendment does not regulate conduct. Even if we adopt this constitutional amendment, the first amendment will still be there, and so the amendment is, in fact, redundant, but it makes it clear and reminds people that it is still there.

What he seeks to clarify is whether or not it is indeed the message that is being criminalized rather than the conduct, whether or not those who support government policy, for example, and not a flag without offending anybody, apparently they will be okay. But if you are a war protester who burns a flag, you can be arrested, and if you are a veteran, so disgusted with veterans health care, and burn the flag in protest, are we making him a criminal? Or if you are a member of a fringe political organization who burns his own flag on his own property, in private, can they be arrested if somebody finds out?

The question is whether or not we are criminalizing the message or the conduct. So the Watt amendment makes it clear that we are still protecting freedom of speech. The message, that will be clear, that we if we do not support the Watt amendment we just ought to acknowledge it is indeed the message, not conduct, which is the target of the underlying amendment.

Mr. SENSENBRENNER. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in strong opposition to the Watt substitute and in support of H.J. Res. 10 which would enable Congress to ratify a constitutional amendment to give Congress the authority to prevent the physical desecration of the American flag. The gentleman from North Carolina (Mr. WATT) says that the Bill of Rights has never been amended. It may be that the words have never been changed, but the United States Supreme Court on many, many, many occasions has amended the first amendment and other provisions in the Bill of Rights by changing the meaning of those words. This is one of those occasions.

For 200 years, many Supreme Court Justices opined that flag desecration laws which were in effect in 49 States could not in violation of the first amendment of the Constitution. This is in defiance of the will of the overwhelming majority of the American people, the will of the overwhelming majority of the State legislatures, and the will we saw later today, the will of the overwhelming majority of the United States Congress.

Clearly, free speech goes beyond the written or spoken word to include other forms of expression, including the wearing of symbols and other actions. However, not all actions constitute free speech, and I am hardly alone in asserting that flag desecration is not speech to be protected under the first amendment. In 1989, the United States Supreme Court in Texas v. Johnson unilaterally invalidated flag protection laws in 48 States and the District of Columbia, overturning 100 years of Federal law, and then went on to ban the physical desecration of the American flag. When that occurs, and when the people and the Congress believe that is wrong, it is a constitutional amendment that corrects the error of the Supreme Court.

Following this decision for the first time in our Nation’s history, an overwhelming 49 State legislatures petitioned Congress to send a flag desecration amendment to the States for ratification. The physical desecration of the American flag constitutes an assault on the most deeply shared experiences of the American people. Our flag is more than a piece of cloth; it is a symbol of our freedoms and the sacrifices of those who gave their lives to win and preserve freedom.

There have been those who have gone unchallenged in the past to fight for the flag, and many have died to keep the flag from falling into the hands of our enemies. To burn a flag in front of a veteran or someone else who has put his
or her life on the line for their country is an act not deserving protection.

Our Nation is unique in the world because our citizens represent a variety of heritages, religions, ethnicities, and political viewpoints. Indeed, we debate our daily lives vigorously; yet we can always look to the flag and remember that we share certain core values that bind us together as a people.

For over 200 years, our flag has flown proudly over our Nation, a visible promise of our commitment to the preservation and expansion of democracy. However, symbols, like values, are eroded gradually. Each time they are desecrated, their symbolism is diminished. We must act now to protect one of our Nation’s most sacred symbols because the Supreme Court has struck down Congress’ effort to protect the flag by statute. It is now necessary to amend the Constitution to give Congress the authority to protect the flag.

Supreme Court Justices as varied as William Rehnquist, Warren Burger, and Hugo Black have all recognized the appropriateness of these desecration statutes that were struck down by the Court. I urge my colleagues to support H.J. Res. 10.

Of course, words or other forms of expression do not have to be correct in order to be protected. And clearly, free speech goes beyond words openly and vigorously including other forms of expression, including the wearing of symbols and other actions. Not all actions constitute free speech, and I am hardly alone in asserting that flag desecration isn’t free speech to be protected under the First Amendment.

“I believe that the states and federal government do have the power to protect the flag from acts of desecration and disgrace,” wrote former Chief Justice Earl Warren. This view is shared by many past and present justices of the U.S. Supreme Court across the ideological spectrum. Justices Black, Burger, Byron White, John Paul Stevens, Sandra Day O’Connor and current Chief Justice William Rehnquist. These eminent men and women haven’t taken a merely political stance based upon “shallow assumptions” or “petulantly sloppy thinking.” Rather, they rely upon well-established principles.

“Surely one of the high purposes of a democratic society,” wrote Rehnquist, “is to legislate against conduct that is regarded as evil and profoundly offensive to the majority of people whether it is murder, embarrassment, pollution or flag burning.” Free speech isn’t the right to do anything you want to do anytime you want to do it. Rather, it’s a precious liberty founded in law—a freedom preserved by respect for the rights of others.

To say that society isn’t entitled to establish rules of behavior governing its members is either to abandon any meaningful definition of civilization or to believe that civilization can survive without regard to the feelings or decent treatment of others. To burn a flag in front of a veteran or someone else who has put his or her life on the line for their country is a despicable act not deserving protection.

It’s well-established that certain types of speech may be prevented under some circumstances, including lewd, obscene, profane, libelous, insulting or fighting words. When it comes to actions, the proscriptions may be even broader. That’s where I have voted to put flag desecration—back where 48 state legislatures thought it when they passed laws prohibiting it.

This amendment doesn’t, in any way, alter the First Amendment. It simply corrects a misguided court interpretation of that amendment. As Justice Rehnquist eloquently observed in concluding his dissent: “Uncritical extension of constitutional protection to the burning of the American flag in order to express a purpose for which organized governments are instituted . . . The government may conscript men into the Armed Forces where they must fight and perhaps die for the flag, but the government may not prohibit the public burning of the banner under which they fight.” I am proud to play a part in trying to right that wrong.

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

Mr. Speaker, I am going to filibuster because I am waiting for some Members who want to speak on this.

Let me respond to the comments of the gentleman from Virginia (Mr. GOODLATTE) that the Supreme Court has amended the Bill of Rights on a number of occasions but did not amend the language of the Bill of Rights. It amended the interpretation of the Bill of Rights.

On a number of those occasions I have been really unhappy about the way Supreme Court has taken a merely political stance based upon “shallow assumptions” or “petulantly sloppy thinking.” Rather, they rely upon well-established principles.

I just want my colleagues to understand that this document that our drafters crafted for us has survived so much the test of time, the comings and goings of members of the Supreme Court differing in interpretations, as the gentleman from Virginia (Mr. GOODLATTE) said. If you want to look at it, they rewrote the Bill of Rights, but never changed the words.

I do not think that every time you get a Supreme Court decision that you disagree with in this country the way to resolve or to express your disagreement is to come to the Congress of the United States and propose that we amend the entire constitutional framework that we are operating under. I do not think that is the way to do it. Sometimes you win; sometimes you lose. Sometimes you have a progressive Supreme Court; sometimes you have a conservative Supreme Court. That does not mean that you do not go back and try to amend the Constitution so that you need to do amended statutes, but amending our Constitution is an entirely different thing.

So one side of me says this is not a good idea to be amending the Constitution in this way. The other side of me really says this amendment has been made out to be a lot more than it really is because by saying that Congress can pass a statute that prohibits the physical desecration of the flag does not give us any more authority than we now have. We can pass a statute right now that prohibits the physical desecration of the flag.

The question is what would the United States Supreme Court say about that statute once it worked its way through the process and up to the United States Supreme Court. And if we pass this amendment, having amended for the first time in 200 years our Bill of Rights, gone through the whole process, the Supreme Court is still going to have the same right to do that.

This is a great, great discussion vehicle. As I said, I used to resent coming here and engaging in this debate every year or every 2 years. It always comes right before July 4. It is always trying to make a political point. Democrats used to be saying Republicans were unpatriotic. Republicans used to be saying Democrats are unpatriotic. Now people are going whichever way they want to go. This is not a Republican or a Democratic amendment; this is a constitutional amendment. Democrats and Republicans have to exist in our constitutional framework. We have got to operate within our system. That is what I think this is about.

Mr. Speaker, I yield 3 minutes to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Speaker, I am a little ashamed to confess my mother is around the age of the gentlemen from North Carolina (Mr. WATT). My mother used to tell me stories when she was a young woman in the segregated South that she would drive through parts of rural and western Alabama and that she would see crosses burned. My grandmother used to tell me stories that after Brown v. Board of Education, she remembers riding through parts of rural Alabama and seeing crosses burned.

The interesting thing about that is the burning of those crosses did not keep a single black child out of a public school. Those of crosses, frankly, did nothing to slow down the march of justice in this country over the 40-or-so years I have been around. I think that is relevant to this debate today.

Mr. Speaker, 15 years ago the U.S. Supreme Court would not let Congress ban flag-burning. And here we stand 15 years later in a country that is still deeply patriotic, a country that is still full of love of Americans toward each other. Frankly, I would submit in this last or 5 years we have seen a rising tide of patriotism. We feel a greater faith in each other and a greater faith in our fighting forces now than we ever
have, I wish advocates of this amendment understood we have won this battle. Those of us who believe in this country, those of us who believe in its decency, and those of us who believe in its power, we have won. Within our borders, not around the world.

The people who would burn flags, just like the people who would burn crosses, have lost. And not only have they lost; they have been thrashed. They have been banished to the margins. They are not a legitimate part of our political debate. They are not acceptable viewpoints to most of us.

I wish we understood that every time we think about saying that one kind of speech is so obnoxious or so offensive that we ought to get rid of it, every time we even let ourselves think that, we would be so much better off if we trust in our better angels, because the best angels in our nature tell us that flag burners are wrong. They tell us that the instinct behind them is wrong.

Mr. Speaker, it is that time that we recognize that a symbol is more important than the actual fabric that it is made of. It is time for us to pass this constitutional amendment, to reject the substitute amendment, and to bring clarity to this issue where 50 States have passed resolutions asking us to get clarity. It is time for the Congress to speak in the way that the majority of Americans would have them to speak. I yield 2 minutes to the gentleman from New Mexico (Mr. PEARCE).

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

Mr. Speaker, the major argument that we heard against the base amendment and in favor of the Watt substitute is that if we do not pass the Watt substitute, we will be amending the Bill of Rights for the first time in the history of this country. That is not true. In the Dred Scott decision, Chief Justice Taney claimed that the fifth amendment’s due process clause, which he interpreted to include a substantive right to the protection of property, prohibited restrictions on slave ownership. The three amendments that were raised again; and our country has been much, much better for it.

Mr. Speaker, I yield back the balance of my time. The SPEAKER pro tempore. Mr. Bass, pursuant to House Resolution 330, the previous questions are ordered on the joint resolution and on the amendment in the nature of a substitute offered by the gentleman from North Carolina (Mr. WATT).

The question is on the amendment in the nature of a substitute offered by the gentleman from North Carolina (Mr. WATT). The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.
COSTELLO, KUCINICH, and Ms. FLAKE, CROWLEY, LANTOS, DeLay, Conaway, Carter, Brown-Waite, Bonner, McIntyre, Marshall, Mooney, Moore (WI), Sessions, Shadegg, Jones (NC), Masur, Neugebauer, Northup, Nunes, Ortiz, Peterson, Peterson (MO), Sam Johnson, Smith (NC), Jindal, Jenkins, Istook, Issa, H4924 have voted—and the House vote on rollcall No. 293. The vote I was unable to cast my vote—yea.
If not, the Chair is prepared to rule. The gentleman from Wisconsin makes a point of order that the instructions contained in the motion to recommit offered by the gentleman from Mississippi are not germane.

One of the central tenets of the grammar rule, clause 7 of rule XVI, is that one individual proposition is not germane to another individual proposition. The Chair finds that H. J. Res. 10, by proposing a constitutional amendment relating to flag desacration, presents a single, individual proposition.

The Chair also finds that the instructions contained in the motion to recommit offered by the gentleman from Mississippi, by proposing a constitutional amendment relating to the budget of the United States, constitutes a different individual proposition.

Therefore, the Chair concludes that the instructions contained in the motion to recommit are not germane to H. J. Res. 10.

The point of order is sustained and the motion is not in order.

PARLIAMENTARY INQUIRY

Mr. TAYLOR of Mississippi. Mr. Speaker, what is the procedure to appeal the ruling of the Chair? I would like the ability to speak to that, please.

The SPEAKER pro tempore. The ruling of the Chair may be appealed. Mr. TAYLOR of Mississippi. Mr. Speaker, I am appealing the ruling of the Chair. Therefore, the Chair concludes that the minority was to be given a chance to speak, and so the motion to table was agreed to.

So the result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

PARLIAMENTARY INQUIRY

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry. The SPEAKER pro tempore (Mr. BASS). The gentleman will state his inquiry.

Mr. TAYLOR of Mississippi. Mr. Speaker, I take it from what just occurred is that I will not be able to offer the amendment to require a balanced budget amendment to the Constitution.

Now, is that the net effect of that vote that just occurred? Because I do have a follow-up.

The SPEAKER pro tempore. The motion to reconsider was ruled out of order.

Mr. TAYLOR of Mississippi. Mr. Speaker, having read the rule, it said that the minority was to be given a motion to reconsider. If that motion to reconsider was ruled out of order, does the minority still have the right to offer another motion to reconsider?

The SPEAKER pro tempore. A Member opposed to the bill may offer a proper motion to reconsider.
MOTION TO RECOMMITE OFFERED BY MR. TAYLOR OF MISSISSIPPI

Mr. TAYLOR of Mississippi. Mr. Speaker, I offer a motion to recommit. The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. TAYLOR of Mississippi. Mr. Speaker, I am opposed to the bill in its present form.

The SPEAKER pro tempore. The Clerk will report the motion. The Clerk reads as follows: Mr. Taylor of Mississippi moves to recommit H.R. 39, to the Committee on the Judiciary with instructions to report the same back to the House forthwith with the following amendments: Page 3, line 10, insert "Section 1.

Old-Age and Survivors Insurance Trust Fund

utable interest) and outlays of the Federal

gress, of which I am a part, has taken

gerate is to prevent the wholesale theft

flag. The amendment that I have of-

prevent the desecration of the flag, the

Speaker.

on the point of order?

marks and the period that follows.

ation proposed in the motion to recom-

ratification.

cal year beginning at least 180 days after its

tion.

will suspend.

The SPEAKER pro tempore. The Chair is prepared to rule on the point of order.

As in the case of the previous mo-

tion, the Chair must adhere to the prin-

cing a single individual propos-

even of the same class, is not germane.

The motion is not in order.

Mr. TAYLOR of Mississippi. Mr. Speaker, I appeal the ruling of the Chair.

The SPEAKER pro tempore. The question is: Shall the decision of the Chair stand as the judgment of the House.

The SPEAKER pro tempore. The ayes appeared to have it.

AYES—222

Mr. SENSENBRENNER. Mr. Speaker, I move to lay the appeal on the table.

The SPEAKER pro tempore. The motion is on the motion offered by Mr. SENSENBRENNER.

The question was taken; and the ayes appeared to have it.

AYES—222

Mr. TAYLOR of Mississippi. The question was taken; and the ayes appeared to have it.

RECORDED VOTE

Mr. TAYLOR of Mississippi. Mr. Speaker, I demand a recorded vote.

The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) to lay the appeal on the table.

The question was taken; and the ayes appeared to have it.

RECORDED VOTE

AYES—222

Mr. SENSENBRENNER. Mr. Speaker, I move to recommit.

The SPEAKER pro tempore. The motion is on the motion offered by Mr. SENSENBRENNER.

The Speaker pro tempore. The SPEAKER pro tempore. Mr. Speaker, I move to lay the appeal on the table.

The SPEAKER pro tempore. The question is on the motion offered by Mr. SENSENBRENNER to recommit.

The question was taken; and the ayes appeared to have it.

RECORDED VOTE

AYES—222

Mr. SENSENBRENNER. Mr. Speaker, I demand a recorded vote.

The question is on the motion offered by Mr. SENSENBRENNER to recommit.

The question was taken; and the ayes appeared to have it.

RECORDED VOTE

AYES—222

Mr. TAYLOR of Mississippi. Mr. Speaker, I demand a recorded vote.

The question is on the motion offered by Mr. TAYLOR of Mississippi to recommit.

The question was taken; and the ayes appeared to have it.
June 22, 2005
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark

Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez

NOT VOTING—21
Barton (TX)
Bonner
Boyd
Carter
Conaway
Cox
Doggett
Herseth

Hinojosa
Jackson-Lee
(TX)
Lewis (GA)
McCaul (TX)
Murtha
Ney
Oxley

Payne
Pomeroy
Rangel
Smith (TX)
Thomas
Weiner

b 1418
So the motion to table was agreed to.
The result of the vote was announced
as above recorded.
A motion to reconsider was laid on
the table.
Mr. TAYLOR of Mississippi. Mr.
Speaker, in the interests of moving
things along, I ask unanimous consent
to engage the gentleman from Wisconsin (Mr. SENSENBRENNER) in about a
3-minute colloquy.
The SPEAKER pro tempore (Mr.
BASS). Is there objection to the request
of the gentleman from Mississippi?
There was no objection.
The SPEAKER pro tempore. The gentleman from Mississippi (Mr. TAYLOR)
is recognized for 3 minutes.
Mr. TAYLOR of Mississippi. Mr.
Speaker, to the gentleman from Wisconsin, you have, using the power of
the majority, blocked the vote on a
constitutional amendment to balance
the budget and the constitutional
amendment to vote to protect the Social Security trust fund.
Now, I have additional motions at
the desk. The next one would be a constitutional amendment to protect the
Medicare trust fund. Would it be your
intention to object to that as well and
prevent a vote on this House floor?
Mr. SENSENBRENNER. Mr. Speaker, will the gentleman yield?
Mr. TAYLOR of Mississippi. I yield
to the gentleman from Wisconsin.
Mr. SENSENBRENNER. Mr. Speaker, the points of order that the gentleman from Wisconsin has been raising have been pursuant to House rules,
and we should not be waiving the rules
relative to the germaneness of motions
to recommit.
Should the gentleman from Mississippi offer more nongermane motions to recommit, then I think it is incumbent upon me, as the manager of
the bill, to raise a point of order,
should the rules of the House be violated by the motion to recommit, as
they have been in the past.
Mr. TAYLOR of Mississippi. Mr.
Speaker, reclaiming my time, I would
remind the Members of this body that
this bill came to the floor waiving all
points of order.
The Medicare prescription drug bill
that is going to increase the national

VerDate Aug 04 2004

01:12 Jun 23, 2005

H4927

CONGRESSIONAL RECORD — HOUSE
Visclosky
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Wexler
Woolsey
Wu
Wynn

Jkt 039060

debt by $1.5 billion came to the floor
waiving all points of order.
We have acquired $2.1 billion worth of
new debt in just the past 4 years,
waiving all points of order.
But if the gentleman is going to insist on not allowing a vote to protect
the constitutional amendment to balance the budget, not allowing a vote to
protect the Social Security trust fund,
and not allowing a vote to protect the
Medicare trust fund, I see no further
reason other than to point out that I
really thought the Republican majority meant it when they passed the Contract with America, that they said
they would balance the budget.
I gave you an opportunity to do just
that. I hope the Speaker will give us an
opportunity in the near future for you
guys to live up to your promises.
The SPEAKER pro tempore. The
question is on the joint resolution.
The question was taken.
The SPEAKER pro tempore. In the
opinion of the Chair, two-thirds of
those present have voted in the affirmative.
Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.
The yeas and nays were ordered.
The vote was taken by electronic device, and there were—yeas 286, nays
130, not voting 18, as follows:

Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Lungren, Daniel
E.
Lynch
Mack
Manzullo
Marchant
Marshall
McCarthy
McCotter
McCrery
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris
McNulty
Melancon
Menendez
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Neal (MA)
Neugebauer
Northup
Norwood
Nunes
Nussle

Ortiz
Osborne
Otter
Pallone
Pascrell
Pearce
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Ruppersberger
Ryan (WI)
Ryun (KS)
Salazar
Sanchez, Loretta
Saxton
Scott (GA)
Sensenbrenner
Sessions

Abercrombie
Ackerman
Allen
Baldwin
Becerra
Berman
Blumenauer
Boucher
Brady (PA)
Butterfield
Capuano
Cardin
Carson
Case
Clay
Cleaver
Conyers
Cooper
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
DeLauro
Dicks
Dingell
Dreier
Ehlers
Emanuel
Engel
Eshoo
Evans
Farr
Fattah
Filner
Flake
Frank (MA)
Gilchrest
Gonzalez
Green, Al
Grijalva
Gutierrez
Hastings (FL)
Hinchey

Hoekstra
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Johnson, E. B.
Jones (OH)
Kennedy (RI)
Kilpatrick (MI)
Kind
Kolbe
Kucinich
Larsen (WA)
Leach
Lee
Levin
Lofgren, Zoe
Lowey
Maloney
Markey
Matheson
Matsui
McCollum (MN)
McDermott
McKinney
Meehan
Meek (FL)
Meeks (NY)
MillenderMcDonald
Miller (NC)
Miller, George
Moore (KS)
Moore (WI)
Moran (VA)
Nadler
Napolitano
Oberstar
Obey
Olver
Owens
Pastor

[Roll No. 296]
YEAS—286
Aderholt
Akin
Alexander
Andrews
Baca
Bachus
Baird
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Bass
Bean
Beauprez
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boren
Boswell
Boustany
Bradley (NH)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite,
Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardoza
Carnahan
Castle
Chabot
Chandler
Chocola

PO 00000

Frm 00029

Clyburn
Coble
Cole (OK)
Costa
Costello
Cox
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cunningham
Davis (FL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
Delahunt
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Doyle
Drake
Duncan
Edwards
Emerson
English (PA)
Etheridge
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gillmor
Gingrey
Gohmert
Goode

Fmt 7634

Sfmt 0634

Shaw
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (WA)
Sodrel
Souder
Spratt
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Towns
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—130
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Gene
Gutknecht
Hall
Harman
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Higgins
Hobson
Holden
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kildee
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kuhl (NY)
LaHood
Langevin
Lantos
Larson (CT)

Paul
Payne
Pelosi
Petri
Price (NC)
Roybal-Allard
Rush
Ryan (OH)
Sabo
Sánchez, Linda
T.
Sanders
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (VA)
Serrano
Shadegg
Shays
Slaughter
Snyder
Solis
Stark
Tanner
Tauscher
Thompson (CA)
Tierney
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—18
Barton (TX)
Bonner
Boyd
Brady (TX)
Carter

E:\CR\FM\A22JN7.022

H22PT1

Conaway
Doggett
Herseth
Hinojosa

Jackson-Lee
(TX)
Lewis (GA)
McCaul (TX)


The House of Representatives passed this bill earlier this year by an overwhelming bipartisan margin of 329-68. In the 108th Congress, the House passed a similar bill, H.R. 2844, by a vote of 306-97. However, each time the Senate has failed to consider this vital piece of legislation. I think that we have legislation that can handle such a horrible possibility and does not leave our constitutional duty to legislate and oversee in limbo.

Mr. Speaker, H.R. 2895 was introduced by Chairman Lewis and reported out of the Appropriations Committee on June 20 by voice vote. It is a good bill, essential to our continued ability to legislate, to our power of oversight, and to the continuity of our government. I would like to thank the chairman and the ranking member of the Appropriations Committee for their leadership on this important issue, as well as the subcommittee. I urge my colleagues to support both the rule and the underlying legislation.

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

Ms. Matsui. Mr. Speaker, I thank the gentleman from Florida for yielding me this time, and I yield myself such time as I may consume.

(Ms. Matsui asked and was given permission to revise and extend her remarks.)

Ms. Matsui. Mr. Speaker, we are here to debate the rule governing the debate for the fiscal year 2006 legislative branch appropriations measure. Through this bill, we will fund the operations for our institution and the many supporting bodies that we rely upon, such as the Library of Congress, the Government Accountability Office, and the Congressional Budget Office.

While I will ultimately support the underlying bill, I would first like to address a few aspects of the rule about which I have serious concerns, specifically, the committee's addition of language to protect the continuity of Congress. One of the results of September 11, and we all agree, is that we need a mechanism to allow States to replace Members of Congress in the event of a major disaster. However, adding continuity language in the manner we are today is inappropriate.

While I am pleased that the Rules Committee voted to allow debate on the Baird amendment to remove this language from the bill, I am disappointed that this language was included in the bill at all. Legislation that has a direct impact on the representation of the American people, as this language unquestionably will, should be completely and thoroughly debated in an atmosphere conducive to debate. This proposal should be addressed in the same way any other authorization legislation would be and as it was when the House passed this measure earlier this year in a stand-alone bill.
But the Republican leadership has decided otherwise, and I raise the question that if we are to discuss this weighty issue today, why then would the Rules Committee not allow an amendment by the gentleman from Massachusetts (Mr. TIERNEY), which would require, under current law, a select committee to look into contracting abuses in the Iraq war? To date, $9 billion is missing or unaccounted for in appropriated funds for the Iraq war. This is an issue of equal significance, especially as we consider the current government’s budget constraints.

Regardless of how one would vote on the amendment itself, this idea deserves the same consideration and debate as the continuity of Congress measure. I am disappointed that this amendment was not made in order as well.

Mr. Speaker, I look forward to resuming the debate on the issue of the continuity of Congress. Mr. Speaker, I reserve the balance of my time.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I yield myself such time as I may consume.

This is an eminently fair rule. With regard to the continuity of government, twice before legislation has been brought to the floor on that issue, and there has been an extensive debate. So we certainly feel that the House has had a sufficient and very fair opportunity to consider this issue. In addition, as I stated before, the legislation we are bringing to the floor today includes H.R. 841, the Continuity in Representation Act of 2005, that is very specific on this issue. One of the great leaders in the House on the issue of making certain that even in a time, God forbid, of great crisis again in the Nation and specifically in the Congress, the Congress can function, is the chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding me this time and thank him for his very strong commitment to this institution and our country. That is really what this legislation is all about. The legislative branch appropriations bill is about the funding for the first branch of government. People often overlook the realization that article I of the U.S. Constitution is in fact the first branch, and we have a very important constitutional responsibility, and that is what this legislation is all about.

As we looked at addressing this rule, it is a very fair and balanced rule which makes in order five amendments, makes in order amendments that will allow for the opportunity to address a wide range of issues that we obviously have a responsibility to address institutionally.

One of the amendments that we chose to make in order is an amendment that was offered by our friend, the gentleman from Washington (Mr. BAIRD). I believe it important that he again have an opportunity to address an issue that, frankly, has already been addressed by this institution. It has to do with the question of the continuity of Congress. And the gentleman, I believe, is a little late with the Attorney General a few minutes ago. Mr. Speaker, and we were talking about September 11 and the PATRIOT Act and the challenges with which we contend on a regular basis, and one of the tragic consequences that we still like to ponder is what would happen if there were to be an attack that would hit this building and that would see the loss of large numbers of Members of the people’s House, the United States House of Representatives.

We passed, with nearly every Republican and 122 Democrats supporting legislation that we call the Continuity of Congress legislation. It calls for special elections to be held on an expedited basis in the districts where, when we have seen in excess of 100 Members of the United States House of Representatives killed, it would kick into place the structure that would allow for those special elections to take place in those districts that the country that have been impacted.

Again, we do not like to think about this, we do not like to think about the possibility of this kind of attack, but we have a responsibility. We have a responsibility to our Constitution, and to the American people to do just that. So what we have done is we have said, hold these elections, plan for these elections, and then the United States House of Representatives will remain exactly what it was envisaged as by James Madison, the Father of our Constitution.

He is the author, wrote the Constitution, and spent a great deal of time thinking about these issues. And one of the very important careful troubles about was in realizing that every single Federal office that exists can see someone attain that office by appointment. We all know that in the other body, the United States Senate, the body of the States, if a vacancy occurs, if someone resigns, if they are killed, pass away, whatever, if there is a vacancy, the Governors of States make those appointments.

We all learned in 1973 with the resignation of President Nixon, the recognition in President the then-minority leader in the House of Representatives, Gerald Ford, was, by appointment, made Vice President, and then when the resignation of President Nixon took place in 1974, Gerald Ford became President of the United States, having never had a single vote cast for him by the American people other than confirmation in the United States Senate.

The House of Representatives is the only Federal office where you must be elected to the body you serve. That is why this Madisonian vision of making sure that this is the body of the people was maintained. That is what the legislation that we have passed again with a very strong bipartisan vote here is designed to accomplish.

Unfortunately, since March, we have seen this legislation languish in the Senate, and we have not been able to have a Senate debate on this. I believe is important to get what is a House issue addressed. It is not even a Senate issue. It is an issue for the House of Representatives. So what we have done is we have decided that the Appropriations Committee in its great wisdom includes this continuity of Congress legislation with the legislative branch appropriations bill. I believe that in so doing, when we pass this bill to the Senate, we will have a chance to put into place very, very important continuity legislation for this institution.

The gentleman from Washington (Mr. BAIRD) sees it differently. He would like to amend the U.S. Constitution, an amendment to the Constitution that would call for Members of the House of Representatives to serve here in a way that is other than an elective capacity. They would be appointed to serve here. I just think that that goes clearly against James Madison’s vision for this Congress, and I have very much that we are able to maintain the language that has passed again with strong bipartisan support and is included in this.

But there will be an amendment that is offered by the ranking member of the Appropriations Committee in his great wisdom who asks Washington to strike that, and I am going to urge my colleagues to oppose that amendment that he will be offering.

Again, if you look at the allocation of funding that we have for the legislative branch appropriations bill, it is actually lower than was requested by the President in his budget. So this is a very fiscally responsible bill. I believe that it is a correct measure for us to take. I urge support of this rule, it makes a number of amendments in order, and support of the bill itself.

Ms. MATSUI. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Speaker, I thank the gentlewoman from California for yielding me this time.

Mr. Speaker, I rise in opposition to the rule. Regrettably, although the Rules Committee apparently found it in order to allow in the continuity of Congress amendment, it did not make it in order to strike an amendment that I offered to establish a special commission, a committee, to investigate the awarding and carrying out of contracts to conduct activities in Afghanistan and Iraq. This amendment is critical toward ensuring that we effectively exercise our congressional oversight responsibilities.

Congress has already appropriated some $277 billion for military operations in Iraq and Afghanistan, and that does not include the $45 billion in so-called bridge funding which was part of the defense appropriations bill which passed the House on Monday. We have...
repeatedly and rightfully recognized that we have to meet the operational, technical, and equipment needs of our troops that are stationed over in Iraq and Afghanistan. That is paramount.

However, the fact of the matter is that when it comes to ensuring that those funds that we have appropriated for that purpose are properly managed and monitored, Congress has been largely silent. I am heartened the gentleman from Connecticut’s (Mr. SHAYS) subcommittee held a hearing yesterday, and I am heartened that the Committee on Armed Services held a hearing in a subcommittee back in 2004. But that is not nearly the amount of activity this Congress should be taking. We must do much better. Every single dollar that is wasted or lost in Iraq and Afghanistan because of mismanagement or fraud in contracting is one less dollar that can go to protect our troops, one less dollar for body armor, and one less dollar for protective equipment that can save lives.

To that point, on Monday the Monday the Boston Globe cited the Marine Corps Inspector General’s report and reported that the estimated 30,000 Marines in Iraq need twice as many heavy machine guns, more fully protected armored vehicles, and more communications equipment to operate in a region the size of Utah.

One of the functions of this select committee that is proposed would be to see that our soldiers are properly equipped to carry out their mission. In fact, the original Truman Committee that was put in place during World War II is believed to have saved thousands of lives as the result of its success in cutting through the bureaucracy and making sure that effective weapons and other war supplies were not a part of the problem in that enterprise. The bottom line in the Congress, however, is that we have not lived up to our oversight responsibilities. We have abdicated them. We have relied on the administration to perform that role for us, and they have not done it, and we have shunned our responsibilities.

Here is their most recent record: In March and early April, we learned that the Pentagon auditors found that $212 million was paid to Kuwaiti and Turkish subcontractors for fuel that the Pentagon said it never received. The audit concluded was exorbitantly priced. Halliburton then passed those payments on to the taxpayer. In late April, according to the Washington Post, the Government Accountability Office found that officials from the Departments of Defense and Interior who were charged with overseeing a contract to provide interrogators at Abu Ghraib “did not fully carry out their roles and responsibilities, the contractor was allowed to play a role in the procurement process normally performed by the government.”

In May, the Office of the Special Inspector General for Iraq Reconstruction found that out of $119.9 million allocated for rebuilding projects, $96.6 million could not be sufficiently documented or fully accounted for at all.

In June, a Committee on Government Reform report, prepared by the gentleman from California’s (Mr. WAXMAN) staff, cited a provision costing $600 million in cash being shipped from Baghdad to four regions in Iraq to allow commanders flexibility to fund local reconstruction projects. An audit of one of the four regions found that more than 80 percent could not be properly accounted for and that over $7 million was simply missing.

A pattern exists here, whether it is revenues from the Iraqi oil sales or whether it is funds from the pockets of the American taxpayers. We are not taking our responsibility, and flagrant lack of contractor and bureaucratic accountability is taking place under our eyes. If we do not sufficiently account for these measures and have vigorous oversight, how can we assure that our troops are going to get sufficient protection and that our taxpayers’ interests will be protected?

My colleagues know that this is not the first time we have had this amendment on the floor. They have now had at least four opportunities to stand up and be accountable to the American taxpayer, to make sure that our troops are protected. In every instance thus far, the size of the majority has been essentially a party-line vote, with only two Members of the majority standing up for the rights of the taxpayer and the rights of our troops in this instance.

It is difficult to fathom that tomorrow this majority is going to bring on the floor of this House a bill for Health and Human Services and Education where they are going to cut to the bone, saying that there is no money. There will be less money for Pell grants for kids that want to go to college. There will be less money for elementary and secondary schools. We will fall further behind in our commitments to No Child Left Behind. We will not fund the cancer costs, like health clinics. We will not even fund the President’s own commitment to high school reform and to community colleges. All, ostensibly, because there is no money. And yet the majority in this Congress refuses to do the oversight on over $300 billion where we know there have been flagrant abuses.

We need to do the right thing in this Congress. This is time for us to take the presidential lead. We need to make sure that this amendment comes on the floor. We will give them yet another opportunity to show that this House will live up to its responsibilities and protect the integrity of this fine institution.

I urge my colleagues to vote “no” on the previous question.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I will be voting against this rule. I will be voting against the previous question on the rule. I will be voting against the bill itself. I will wait until debate on the bill in order to explain my vote on the later amendments.

But let me simply say two things with respect to the rule. The leadership of this House, the Republican leadership of this House, has chosen to insist that their companion proposal, which is a totally unrelated matter, be added to the appropriation bill to finance the operations of the Congress. Our committee gave this all of about 10 minutes of consideration. No alternatives were presented. And what that means is that the House Republican leadership is insisting that a bill which the House has already passed once be passed again, because the Senate has declined to take up the bill that the House sent over in the first place.

I think they were wise not to take that bill up. I am in a distinct minority on this proposition. But what this action does is to allow within 45 days of the Speaker’s determining that 100 or more vacancies exist in the House, that he will call a special election.

A couple of problems with that. Number one, that means that a national election is left to the discretion of and to the timing selected by the Speaker. I do not think that is appropriate. Secondly, it means that for that 45-day period, if there are 100 vacancies in the House because of desertion associated with an attack, for instance, it means that those 100 districts would be unrepresented at a time when the most crucial decisions affecting the continuation of the Republic would be that. I do not think that is a good idea either.

If we are going to be forced to vote on any of those propositions, then, even though I am a Democrat, I much prefer the alternative presented by the gentleman from California (Mr. ROUMBACHER), a Republican. The alternative that he presented in the last session of Congress would have provided that each and every year when we are elected, we also have to supply a list of persons whom we feel are most qualified to take our place if something happens and we are killed by such a disastrous attack. I would submit to the Members that it is far more appropriate to have that, that is revealed ahead of time to be the person of choice in case a tragedy like that happened. I would suggest that is a far healthier situation than to have a situation in which a district was unrepresented for 45 days.

The gentleman from California (Mr. DREIER) suggested that it was important to maintain the distinction the House that has one must be elected in order to serve in this body. Well, obviously I would much prefer to have an elected person representing my district, but an appointed official is preferable to no one at all. And yet that is
what we are stuck with under this misbegotten attachment that the House leadership is insisting that we add to this bill in a power play. So that is one reason I oppose this rule.

The second reason is that the Committee on Rules last night by a straight party-line vote, they passed rules to put this bill on the calendar. And for that reason alone, I reserve the balance of my time.

Ms. MATSUI. Mr. Speaker, I yield 5 minutes to the gentleman from Washington State (Mr. BAIRD).

Mr. BAIRD. Mr. Speaker, I thank the distinguished chairman of the Committee on Rules was here, and I want to begin by expressing my appreciation that my amendment will be made in order to extricate the Members from a vote on a rule that is an inappropriate clause inserted by the majority. The gentleman from Wisconsin (Mr. OBEY), I think, articulated the issue well. It is true that we had a vote in this Congress already on the issue of the continuity of the Congress, but it is also true that there was not a hearing on various opportunities to solve this problem. Essentially one version of the bill was brought forward without adequate hearing. I was present at the markup of the Bush spin bill. The distinguished chair of the Committee on the Judiciary did not allow me to even speak to my own bill, though he mischaracterized it.

Now, what the majority is doing is taking what is clearly legislative, and it is consequential legislation; let us be clear about this. What they are doing is taking legislation that provides for how we would replace this very body. Many of us, myself, the gentleman from California (Mr. ROHRABACHER), and others, to get this hearing, to get the leadership to say that we would have an open debate on multiple proposals, multiple proposals, with full amendments and full debate by this entire body. We are now years post-September 11. This body still does not have an adequate plan to ensure that everyone in this country will have representation if this body is eliminated. Indeed, this body is fully willing, according to the leadership today and appropriately placed in this legislation, to allow the executive branch to function completely unfettered.

I have to say to the distinguished gentleman from California, the chair of the Committee on Rules said I was contrary to Madison. Possibly so, in some ways; but I would warrant that he is even more contrary because Mr. Madison was absolutely clear that the fundamental principles of checks and balances are a core of this great Republic. The legislation being proposed by the majority would undermine that principle of checks and balances.

More importantly still, the average American would understand that this body is considering legislation which would prohibit them from having representation in the Congress and prohibit the Congress from having a check on the executive at a time of national crisis, and that is disastrous. If Members care about this body, if they believe in the principles of checks and balances, they should reject this clause, support the Baird amendment. They should insist not that we ram this through on an inappropriate appropriation bill, but that we have a full and open debate with our colleagues from the other body.

I have to tell the Members that when I go home and talk to my constituents, and I would ask the Members to do this: Ask their constituents if they are comfortable, knowing that three or four people could serve as the House of Representatives under the rules we passed, which I believe are blatantly unconstitutional law, that three or four people should be able to elect a Speaker of the House, that that person should then become the President of the United States, could declare martial law with absolutely no checks and no representation of hundreds of millions of Americans at the time that happens.

This is irresponsible. Madison and Jefferson and the rest would be spinning in their graves if they knew what you are up to here.

It is not just about Germaneness, but that reason alone should cause Members to support the Baird amendment. I ask unanimous consent that the text of the amendment be printed in the CONGRESSIONAL RECORD immediately prior to the vote on the previous question.

The SPEAKER pro tempore (Mr. FEENEY). Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. MATSUI. Mr. Speaker, the Tierney amendment will establish a select committee to investigate the awarding and carrying out of war-related contracts in Afghanistan and Iraq, with the United States engaged in a major military buildup as part of World War II, Senator Harry Truman, a Democrat from Missouri, became aware of widespread stories of contractor mismanagement in military contracts and created a committee to investigate such matters.

Since 2003, there have been many examples of the misuse of American taxpayer dollars and Iraqi contracting. Nearly $9 billion on money spent on Iraqi reconstruction is unaccounted for, and $94 billion is unaccounted for in Afghanistan and Iraq. We are now years after September 11, and the Congress is not willing to provide a plan that is adequate. And passage of this legislation today is disastrous. If Members care about this body, if they believe in the principles of checks and balances, they should reject this clause, support the Baird amendment. They should insist not that we ram this through on an inappropriate appropriation bill, but that we have a full and open debate with our colleagues from the other body.

I have to tell the Members that when I go home and talk to my constituents, and I would ask the Members to do this: Ask their constituents if they are comfortable, knowing that three or four people could serve as the House of Representatives under the rules we passed, which I believe are blatantly unconstitutional law, that three or four people should be able to elect a Speaker of the House, that that person should then become the President of the United States, could declare martial law with absolutely no checks and no representation of hundreds of millions of Americans at the time that happens.

This is irresponsible. Madison and Jefferson and the rest would be spinning in their graves if they knew what you are up to here.

It is not just about Germaneness, but that reason alone should cause Members to support the Baird amendment.
taxpayer dollars should not be a partisan issue. The Truman Committee was created while Democrats controlled the White House, the House, and the Senate. We owe it to American taxpayers and to our brave soldiers to oversee how the billions of taxpayer dollars being spent in Iraq and Afghanistan. A new Truman Committee would allow us to get the facts on U.S. contracting in both military and reconstruction activities and to fix whatever problems exist.

As the select committee members should know that a “no” vote on the previous question will not stop consideration of the legislative branch appropriation bill. A “no” vote will allow the House to create a much-needed select committee to investigate government contracts in Iraq and Afghanistan. But a “yes” vote on the previous question will prevent the House from establishing this important select committee.

Again, vote “no” on the previous question.

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

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I yield myself such time as I may consume.

We are bringing forth a very important appropriations bill today, with an issue that has received a tremendous amount of discussion and study and debate and actually has been voted on twice in overwhelming fashions by this House favorably. The last time, in the 108th Congress, the measure on the continuity of government, specifically of this House, which is included in the underlying legislation, had passed with 329 favorable votes and only 68 negative votes. Mr. Speaker, 122 of our friends on the other side of the aisle voted for this piece of legislation.

By a vote of 271 to 178, Mr. Speaker, by which we bring forth this legislation, also is permitting, as an amendment, a motion to strike that legislation by the distinguished gentleman from Washington (Mr. BAIRD). His alternative was debated previously in this Congress and received 68 votes; and we are, as I say, we are permitting him, under this rule, to strike, if he has the provision on the continuity of the House. So we are bringing this legislation forth in a very fair way.

In addition to the very important legislation which is included that has to do with, as we have had debate about today, that has to do with continuity of this House in case of an emergency, the underlying legislation also provides for the funding of the legislative branch of government, and it does so in an efficient and effective way, and in a way which I think deserves the support of the entire membership of this House.

So, Mr. Speaker, I ask for the support of House members for the rule and the underlying legislation being brought forth by the rule.

The material previously referred to by Ms. MATSUI is as follows:

PREVIOUS QUESTION FOR H. RES. 334 RULE ON H.R. 2985 LEGISLATIVE BRANCH APPROPRIATIONS FY06
At the end of the resolution, add the following:

Sec. 2. Notwithstanding any other provision of this resolution the amendment specified in section 3 shall be in order as though offered 5 days prior to the report of the Committee on Rules if offered by Representative Tierney of Massachusetts or a designee. That amendment shall be deemed to be minutes equally divided and controlled by the proponent and an opponent.

Sec. 3. The amendment referred to in section 2 is as follows:

AMENDMENT TO H.R. 2985, AS REPORTED OFFERED BY MR. TIERNEY OF MASSACHUSETTS
Page 6, insert after line 24 the following:

SELECT COMMITTEE
Sec. 102. (a) Establishment.—There is established in the House of Representatives a select committee to investigate the awarding and carrying out of contracts to conduct activities in Afghanistan and Iraq and to fight the war on terrorism (hereinafter referred to as the “select committee”).

(b) Members.—(1) The select committee is to be composed of 15 Members of the House, to be appointed by the Speaker (of whom 7 shall be appointed upon the recommendation of the majority leader), one of whom shall be designated as chairman from the majority party and one of whom shall be designated ranking member from the minority party. Any vacancy occurring in the membership of the select committee shall be filled in the same manner in which the original appointment was made. The select committee shall conduct an ongoing study and investigation of the awarding and carrying out of contracts by the Government to conduct activities in Afghanistan and Iraq and to fight the war on terrorism and make such recommendations to the House as the select committee deems appropriate regarding the following matters:

(1) bidding, contracting, and auditing standards in the issuance of Government contracts;
(2) oversight procedures;
(3) forms of payment and safeguards against money laundering;
(4) accountability of contractors and Government officials for procurement;
(5) penalties for violations of law and abuses in the awarding and carrying out of Government contracts;
(6) subcontracting under large, comprehensive contracts;
(7) inclusion and utilization of small businesses, through subcontracts or otherwise;
(8) such other matters as the select committee deems appropriate.

(c) RULES AND PROCEDURES.
(1) QUORUM.—One-third of the members of the select committee shall constitute a quorum for the transaction of business except for the reporting of the results of its study and investigation (with its recommendations) or the authorization of subpoenas, which shall require a majority of the committee to be actually present, except that the select committee may designate a lesser number, but not less than two, as a quorum for the purpose of holding hearings to take testimony and receive evidence.

(2) POWERS.—In the course of carrying out this section, the select committee may sit and act at any time and place within the United States or elsewhere, whether the House is in session, and shall have the power to subpoena and summarily hold such hearings as it considers necessary and to require, by subpoena or otherwise, the attendance and testimony of such witnesses, the furnishing of information by interrogatory, and the production of such books, records, correspondence, memoranda, documents, and things and information of any kind as it deems necessary, including classified materials.

(3) ISSUANCE OF SUBPOENAS.—A subpoena may be authorized by the select committee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the voting, a minority being present. Authorized subpoenas shall be signed by the chairman or by any member designated by the select committee to be actually present, except any person designated by the chairman or such member. Subpoenas shall be issued under the seal of the House and attested by the Clerk. The select committee may request investigations, reports, and other assistance from any agency of the executive, legislative, and judicial branches of the Government.

(4) MEETINGS.—The chairman, or in his absence a member designated by the chairman, shall preside at all meetings and hearings of the select committee. All meetings and hearings of the select committee shall be conducted in open session, unless a majority of members of the select committee voting, which shall be in attendance in the number required for the purpose of hearings to take testimony, vote to close a meeting or hearing.

(5) APPLICABILITY OF RULES OF THE HOUSE.—The Rules of the House of Representatives applicable to standing committees shall govern the select committee where not inconsistent with this section.

(6) WRITTEN COMMITTEE RULES.—The select committee shall adopt additional written rules, which shall be in writing, its procedures, which shall not be inconsistent with this resolution or the Rules of the House of Representatives.

(d) ADMINISTRATIVE PROVISIONS.—
(1) APPOINTMENT OF STAFF.—The select committee shall have such staff as it shall determine to be necessary, including classified materials.

(2) POWERS OF RANKING MINORITY MEMBER.—All staff provided to the minority party member of the select committee may be appointed, and may be removed, by the ranking minority member of the committee, and shall work under the general supervision and direction of such member.

(3) COMPENSATION.—The chairman shall fix the compensation of all staff of the select committee, after consultation with the ranking minority member, and may designate any minority party staff, within the budget approved for such purposes for the select committee.

(4) REIMBURSEMENT OF EXPENSES.—The select committee may reimburse the members of its staff for travel, subsistence, and other necessary expenses incurred by them in the performance of the their functions for the select committee.

(5) PAYMENT OF EXPENSES.—There shall be paid out of the applicable accounts of the House such sums as are necessary for the expenses of the select committee. Such payments shall be made on vouchers signed by the chairman of the select committee and approved in the manner directed by the Comptroller General of the United States. Such accounts made available under this subsection shall be expended in accordance with regulations prescribed by the Committee on House Administration.

(e) REPORTS.—The select committee shall from time to time report to the House the results of their study and investigation, with its recommendations. Any report made by the select committee when the House is not
in session shall be filed with the Clerk of the House. Any report made by the select committee shall be referred to the committee or committees that have jurisdiction over the subject matter of the report.

Mr. LINCOLN Diaz-Balart of Florida. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

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

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

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—aye 219, nay 196, not voting 18, as follows:

[Roll No. 297]

YEAS—219

Adler
Adler, Tammy
Adrian
Adrian, Paul
Aderholt
Aderholt, Mo
Aderholt, Robert B.
Aderholt, Rob B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Rob B.
Aderholt, Rob B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Aderholt, Robert B.
Mr. WELLER changed his vote from "no" to "aye."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2985, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Pursuant to House Resolution 334 and rule XVIII, the Chair declares the House in agreement to House Resolution 334 and rule XVIII, the Chair declares the House in agreement.

The CHAIRMAN. Pursuant to rule XVIII, the Chair declares the House in agreement. There will be no objection.

The SPEAKER pro tempore. Pursuant to rule XVIII, the Chair declares the House in agreement. There will be no objection.

The Chair recognizes the gentleman from Wisconsin (Mr. OBEY) to offer more remarks on H.R. 2985, and that I may include tabular and extraneous material.

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

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2006

The SPEAKER pro tempore. Pursuant to House Resolution 334 and rule XVIII, the Chair declares the House in the Committee of the Whole House for the consideration of the bill (H.R. 2985).

In the Committee of the Whole

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2985) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes, with Mr. LINDER in the chair. The Clerk read the title of the bill. The CHAIRMAN, Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California (Mr. LEWIS) and the gentleman from Wisconsin (Mr. OBEY) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. LEWIS).
## LEGISLATIVE BRANCH APPROPRIATIONS BILL 2006 (H.R. 2985)
(Amounts in thousands)

<table>
<thead>
<tr>
<th>FY 2005 Enacted</th>
<th>FY 2006 Request</th>
<th>Bill vs. Enacted</th>
<th>Bill vs. Request</th>
</tr>
</thead>
</table>

### TITLE I - LEGISLATIVE BRANCH

#### HOUSE OF REPRESENTATIVES

**Payments to Widows and Heirs of Deceased Members of Congress (emergency) (P.L. 109-13)**

<table>
<thead>
<tr>
<th></th>
<th>FY 2005</th>
<th>FY 2006</th>
<th>Bill vs. FY 2005</th>
<th>Bill vs. Request</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>162</td>
<td>...</td>
<td>-162</td>
<td>...</td>
</tr>
</tbody>
</table>

**Salaries and Expenses**

**House Leadership Offices**

| Office of the Speaker    | 2,708    | 2,788    | +80              | ...              |
| Office of the Majority Floor Leader | 2,027    | 2,098    | +71              | ...              |
| Office of the Minority Floor Leader | 2,840    | 2,928    | +88              | ...              |
| Office of the Majority Whip | 1,741    | 1,797    | +56              | ...              |
| Office of the Minority Whip | 1,303    | 1,345    | +42              | ...              |
| Speaker's Office for Legislative Floor Activities | 470      | 482      | +12              | ...              |
| Republican Steering Committee | 881      | 906      | +25              | ...              |
| Republican Policy Committee | 1,500    | 1,548    | +48              | ...              |
| Democratic Steering and Policy Committee | 1,589    | 1,645    | +56              | ...              |
| Democratic Caucus     | 792      | 816      | +24              | ...              |
| Nine minority employees | 1,409    | 1,445    | +36              | ...              |

**Training and Program Development:**

| Majority          | 290      | 290      | ...              | ...              |
| Minority          | 290      | 290      | ...              | ...              |

**Cloakroom Personnel:**

| Majority          | 419      | 434      | +15              | ...              |
| Minority          | 419      | 434      | +15              | ...              |

**Subtotal, House Leadership Offices**

|                         | 18,678   | 19,844   | 1,166            | ...              |

**Members' Representational Allowances**

Including Members' Clerk Hire, Official Expenses of Members, and Official Mail

|                         | 525,195  | 564,536  | 538,109          | 12,914           | -26,427          |

**Committee Employees**

**Standing Committees, Special and Select**

|                         | 113,499  | 117,913  | 117,913          | 4,414            | ...              |

**Committee on Appropriations (including studies and investigations)**

|                         | 24,726   | 25,668   | 25,668           | 942              | ...              |

**Subtotal, Committee employees**

|                         | 138,225  | 143,581  | 143,581          | 5,356            | ...              |

**Salaries, Officers and Employees**

**Office of the Clerk**

|                         | 20,534   | 21,911   | 21,911           | 1,377            | ...              |

**Office of the Sergeant at Arms**

|                         | 5,879    | 6,284    | 6,284            | +405             | ...              |

**Office of the Chief Administrative Officer**

|                         | 143,645  | 119,804  | 116,971          | -26,674          | -2,833           |

**Office of the Inspector General**

|                         | 3,986    | 3,991    | 3,991            | +5               | ...              |

**Office for Emergency Planning, Preparedness and Operations**

|                         | 1,000    | 5,000    | 5,000            | +4,000           | ...              |

**Office of General Counsel**

|                         | 962      | 962      | 962              | ...              | ...              |

**Office of the Chaplain**

|                         | 155      | 161      | 161              | +6               | ...              |

**Office of the Parliamentarian**

|                         | 1,673    | 1,767    | 1,767            | +94              | ...              |

**Compilation of precedents of the House of Representatives**

|                         | (1,149)  | (1,546)  | (1,546)          | (+87)            | ...              |

**Office of the Law Revision Counsel of the House**

|                         | 2,346    | 2,453    | 2,453            | +107             | ...              |

**Office of the Legislative Counsel of the House**

|                         | 6,721    | 6,963    | 6,963            | +242             | ...              |

**Office of Interparliamentary Affairs**

|                         | 687      | 720      | 720              | +33              | ...              |

**Other authorized employees**

|                         | 156      | 161      | 161              | +5               | ...              |

**Office of the Historian**

|                         | 405      | 405      | 405              | +405             | +405             |

**Subtotal, Salaries, officers and employees**

|                         | 187,744  | 170,177  | 167,749          | -19,995          | -2,428           |
### LEGISLATIVE BRANCH APPROPRIATIONS BILL 2006 (H.R. 2085)
(Amounts in thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY 2005 Enacted</th>
<th>FY 2006 Request</th>
<th>Bill</th>
<th>Bill vs. FY 2005 Enacted</th>
<th>Bill vs. FY 2006 Request</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Allowances and Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplies, materials, administrative costs and Federal</td>
<td>4,350</td>
<td>4,179</td>
<td>4,179</td>
<td>-171</td>
<td>---</td>
</tr>
<tr>
<td>tort claims...</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Official mail for committees, leadership offices...</td>
<td>410</td>
<td>410</td>
<td>410</td>
<td>-</td>
<td>---</td>
</tr>
<tr>
<td>and administrative offices of the House...</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government contributions...</td>
<td>203,900</td>
<td>214,422</td>
<td>214,422</td>
<td>+10,522</td>
<td>---</td>
</tr>
<tr>
<td>Miscellaneous Items...</td>
<td>690</td>
<td>703</td>
<td>703</td>
<td>+13</td>
<td>---</td>
</tr>
<tr>
<td>Capitol Visitor Center...</td>
<td>---</td>
<td>9,965</td>
<td>3,410</td>
<td>+3,410</td>
<td>-6,555</td>
</tr>
<tr>
<td><strong>Subtotal, Allowances and expenses...</strong></td>
<td>209,350</td>
<td>229,679</td>
<td>223,124</td>
<td>+13,774</td>
<td>-6,555</td>
</tr>
<tr>
<td><strong>Total, Salaries and expenses...</strong></td>
<td>1,079,192</td>
<td>1,127,817</td>
<td>1,092,407</td>
<td>+13,215</td>
<td>-35,410</td>
</tr>
<tr>
<td><strong>Total, House of Representatives...</strong></td>
<td>1,079,354</td>
<td>1,127,817</td>
<td>1,092,407</td>
<td>+13,053</td>
<td>-35,410</td>
</tr>
<tr>
<td><strong>JOINT ITEMS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint Economic Committee...</td>
<td>4,139</td>
<td>4,276</td>
<td>4,276</td>
<td>+137</td>
<td>---</td>
</tr>
<tr>
<td>Joint Committee on Taxation...</td>
<td>8,366</td>
<td>8,781</td>
<td>8,781</td>
<td>+415</td>
<td>---</td>
</tr>
<tr>
<td><strong>Office of the Attending Physician</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical supplies, equipment, expenses, and allowances...</td>
<td>2,508</td>
<td>2,545</td>
<td>2,545</td>
<td>+37</td>
<td>---</td>
</tr>
<tr>
<td>Capitol Guide Service and Special Services Office...</td>
<td>3,844</td>
<td>4,268</td>
<td>4,268</td>
<td>+424</td>
<td>---</td>
</tr>
<tr>
<td><strong>Statements of Appropriations...</strong></td>
<td>30</td>
<td>30</td>
<td>30</td>
<td>-</td>
<td>---</td>
</tr>
<tr>
<td><strong>Total, Joint Items...</strong></td>
<td>18,867</td>
<td>19,900</td>
<td>19,900</td>
<td>+1,013</td>
<td>---</td>
</tr>
<tr>
<td><strong>CAPITOL POLICE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries...</td>
<td>201,812</td>
<td>230,191</td>
<td>210,350</td>
<td>+8,538</td>
<td>-19,841</td>
</tr>
<tr>
<td>General expenses...</td>
<td>39,667</td>
<td>59,948</td>
<td>29,345</td>
<td>-10,312</td>
<td>-30,603</td>
</tr>
<tr>
<td><strong>Total, Capitol Police...</strong></td>
<td>241,469</td>
<td>290,139</td>
<td>239,695</td>
<td>-1,774</td>
<td>-50,444</td>
</tr>
<tr>
<td><strong>OFFICE OF COMPLIANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and expenses /1...</td>
<td>2,402</td>
<td>3,112</td>
<td>3,112</td>
<td>+710</td>
<td>---</td>
</tr>
<tr>
<td>/1 Includes pending budget amendment of $470,000.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CONGRESSIONAL BUDGET OFFICE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and expenses...</td>
<td>34,640</td>
<td>35,853</td>
<td>35,450</td>
<td>+810</td>
<td>-403</td>
</tr>
<tr>
<td><strong>ARCHITECT OF THE CAPITOL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General administration...</td>
<td>79,704</td>
<td>76,982</td>
<td>77,002</td>
<td>-2,702</td>
<td>+20</td>
</tr>
<tr>
<td>Capitol building...</td>
<td>28,826</td>
<td>27,105</td>
<td>22,097</td>
<td>-6,529</td>
<td>-5,008</td>
</tr>
<tr>
<td>Capitol grounds...</td>
<td>15,118</td>
<td>7,801</td>
<td>7,723</td>
<td>-7,395</td>
<td>-78</td>
</tr>
<tr>
<td>House office buildings...</td>
<td>64,830</td>
<td>68,698</td>
<td>59,616</td>
<td>-5,214</td>
<td>-9,082</td>
</tr>
<tr>
<td>Capitol Power Plant...</td>
<td>60,744</td>
<td>65,755</td>
<td>65,185</td>
<td>+4,441</td>
<td>-570</td>
</tr>
<tr>
<td>Offsetting collections...</td>
<td>-4,365</td>
<td>-6,500</td>
<td>-6,600</td>
<td>-2,235</td>
<td>-100</td>
</tr>
<tr>
<td><strong>Net subtotal, Capitol Power Plant...</strong></td>
<td>56,379</td>
<td>52,255</td>
<td>58,585</td>
<td>+2,236</td>
<td>-670</td>
</tr>
<tr>
<td>Library buildings and grounds...</td>
<td>39,776</td>
<td>83,318</td>
<td>31,318</td>
<td>-8,458</td>
<td>-52,000</td>
</tr>
<tr>
<td>Capitol police buildings and grounds...</td>
<td>9,006</td>
<td>34,059</td>
<td>16,830</td>
<td>+6,924</td>
<td>-18,129</td>
</tr>
<tr>
<td>Botanic garden...</td>
<td>6,275</td>
<td>10,013</td>
<td>7,211</td>
<td>+936</td>
<td>-3,402</td>
</tr>
<tr>
<td></td>
<td>FY 2005 Enacted</td>
<td>FY 2006 Request</td>
<td>Bill</td>
<td>Bill vs. Enacted</td>
<td>Bill vs. Request</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-----------------</td>
<td>-----------------</td>
<td>------</td>
<td>-----------------</td>
<td>-----------------</td>
</tr>
<tr>
<td><strong>Capitol Visitor Center</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CVC Project (cost-to-complete)</td>
<td>---</td>
<td>36,900</td>
<td>36,900</td>
<td>+36,900</td>
<td>---</td>
</tr>
<tr>
<td><strong>Total, Capitol Visitor Center</strong></td>
<td>---</td>
<td>72,185</td>
<td>36,900</td>
<td>+36,900</td>
<td>-35,285</td>
</tr>
<tr>
<td><strong>Total, Architect of the Capitol</strong></td>
<td>300,614</td>
<td>440,016</td>
<td>317,282</td>
<td>+16,668</td>
<td>-123,634</td>
</tr>
<tr>
<td><strong>Library of Congress</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and expenses</td>
<td>381,593</td>
<td>409,079</td>
<td>388,144</td>
<td>+6,551</td>
<td>-20,935</td>
</tr>
<tr>
<td>Authority to spend receipts</td>
<td>-6,299</td>
<td>-6,350</td>
<td>-6,350</td>
<td>-51</td>
<td>---</td>
</tr>
<tr>
<td><strong>Subtotal, Salaries and expenses</strong></td>
<td>375,294</td>
<td>402,729</td>
<td>381,794</td>
<td>+6,500</td>
<td>-20,935</td>
</tr>
<tr>
<td>Copyright Office, salaries and expenses</td>
<td>53,182</td>
<td>58,191</td>
<td>58,601</td>
<td>+5,419</td>
<td>+410</td>
</tr>
<tr>
<td>Authority to spend receipts</td>
<td>-33,209</td>
<td>-30,657</td>
<td>-35,946</td>
<td>-2,737</td>
<td>-5,289</td>
</tr>
<tr>
<td><strong>Subtotal, Copyright Office</strong></td>
<td>19,973</td>
<td>27,534</td>
<td>22,655</td>
<td>+2,682</td>
<td>-4,879</td>
</tr>
<tr>
<td>Congressional Research Service, salaries and expenses</td>
<td>96,118</td>
<td>105,289</td>
<td>99,952</td>
<td>+3,834</td>
<td>-5,337</td>
</tr>
<tr>
<td>Books for the blind and physically handicapped,Salaries and expenses</td>
<td>53,977</td>
<td>55,243</td>
<td>54,049</td>
<td>+72</td>
<td>-1,194</td>
</tr>
<tr>
<td><strong>Subtotal, Library of Congress</strong></td>
<td>545,362</td>
<td>590,795</td>
<td>558,450</td>
<td>+13,068</td>
<td>-32,345</td>
</tr>
<tr>
<td>Appropriations Act, 2001</td>
<td>---</td>
<td>---</td>
<td>-15,500</td>
<td>-15,500</td>
<td>-15,500</td>
</tr>
<tr>
<td><strong>Total, Library of Congress</strong></td>
<td>545,362</td>
<td>590,795</td>
<td>542,950</td>
<td>-2,412</td>
<td>-47,845</td>
</tr>
<tr>
<td><strong>Government Printing Office</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Congressional printing and binding</td>
<td>88,090</td>
<td>92,283</td>
<td>88,090</td>
<td>---</td>
<td>-4,193</td>
</tr>
<tr>
<td>Office of Superintendent of Documents</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and expenses</td>
<td>31,697</td>
<td>33,837</td>
<td>33,337</td>
<td>+1,640</td>
<td>-500</td>
</tr>
<tr>
<td>Government Printing Office Revolving Fund</td>
<td>---</td>
<td>5,000</td>
<td>1,200</td>
<td>+1,200</td>
<td>-3,800</td>
</tr>
<tr>
<td><strong>Total, Government Printing Office</strong></td>
<td>118,787</td>
<td>131,120</td>
<td>122,627</td>
<td>+2,840</td>
<td>-8,493</td>
</tr>
<tr>
<td><strong>Government Accountability Office</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and expenses</td>
<td>474,565</td>
<td>493,548</td>
<td>495,586</td>
<td>+14,995</td>
<td>-3,998</td>
</tr>
<tr>
<td>Offsetting collections</td>
<td>-7,360</td>
<td>-7,155</td>
<td>-7,185</td>
<td>+195</td>
<td>---</td>
</tr>
<tr>
<td><strong>Total, Government Accountability Office</strong></td>
<td>467,205</td>
<td>486,393</td>
<td>482,395</td>
<td>+15,190</td>
<td>-3,998</td>
</tr>
<tr>
<td><strong>Open World Leadership Center</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment to the Open World Leadership Center Trust Fund</td>
<td>13,392</td>
<td>14,000</td>
<td>14,000</td>
<td>+608</td>
<td>---</td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td>2,823,112</td>
<td>3,140,035</td>
<td>2,869,818</td>
<td>+46,706</td>
<td>-270,217</td>
</tr>
<tr>
<td>Division</td>
<td>FY 2005 Enacted</td>
<td>FY 2006 Request</td>
<td>Bill</td>
<td>Bill vs. FY 2005 Enacted</td>
<td>Bill vs. FY 2006 Request</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>-----------------</td>
<td>-----------------</td>
<td>------</td>
<td>--------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>House of Representatives</td>
<td>1,079,354</td>
<td>1,127,817</td>
<td>1,092,407</td>
<td>+13,053</td>
<td>-35,410</td>
</tr>
<tr>
<td>Joint Items</td>
<td>18,887</td>
<td>19,900</td>
<td>19,900</td>
<td>+1,013</td>
<td>---</td>
</tr>
<tr>
<td>Capitol Police</td>
<td>241,469</td>
<td>290,139</td>
<td>239,695</td>
<td>-1,774</td>
<td>-50,444</td>
</tr>
<tr>
<td>Office of Compliance</td>
<td>2,402</td>
<td>3,112</td>
<td>3,112</td>
<td>+710</td>
<td>---</td>
</tr>
<tr>
<td>Congressional Budget Office</td>
<td>34,640</td>
<td>35,853</td>
<td>35,450</td>
<td>+810</td>
<td>-403</td>
</tr>
<tr>
<td>Architect of the Capitol</td>
<td>300,614</td>
<td>440,916</td>
<td>317,282</td>
<td>+16,668</td>
<td>-123,634</td>
</tr>
<tr>
<td>Library of Congress</td>
<td>545,362</td>
<td>590,795</td>
<td>542,950</td>
<td>-2,412</td>
<td>-47,845</td>
</tr>
<tr>
<td>Government Printing Office</td>
<td>119,787</td>
<td>131,120</td>
<td>122,627</td>
<td>+2,840</td>
<td>-8,493</td>
</tr>
<tr>
<td>Government Accountability Office</td>
<td>467,205</td>
<td>486,383</td>
<td>482,395</td>
<td>+15,190</td>
<td>-3,988</td>
</tr>
<tr>
<td>Open World Leadership Center</td>
<td>13,392</td>
<td>14,000</td>
<td>14,000</td>
<td>+608</td>
<td>---</td>
</tr>
<tr>
<td><strong>Grand total</strong></td>
<td><strong>2,823,112</strong></td>
<td><strong>3,140,035</strong></td>
<td><strong>2,869,818</strong></td>
<td><strong>+46,706</strong></td>
<td><strong>-270,217</strong></td>
</tr>
</tbody>
</table>
Mr. Chairman, I reserve the balance of my time.

Mr. OBEE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I know this seems a strange thing to say on a bill as small as this, but I know the congressional budget, but I honestly believe, because of the attachment of the proposal for the continuity of Congress, that this bill is by far the worst bill to come to the floor in this session of Congress.

I believe that the continuity of representation provision attached to this bill is an assault on constitutional government. I believe it is an assault on checks and balances. It is an assault on the rule of law. It is an invitation to one-man rule and dictatorship. I think it is profoundly misguided, profoundly misconceived, and I think a profound disservice is done in not having months and months of hearings with constitutional scholars before such a drastic proposal is brought before the House.

I take the position that there is a very good reason that the Senate has not taken it up. It is because it is a turkey of a proposal. It could leave us literally with 75 and 80 percent of the congressional districts in this country unrepresented in a time of terrorist attack, and unrepresented in the halls of Congress, and I think that is a bad way to do business.

What I would like to do now is to talk about another problem in this bill. That is the Congressional Visitor Center. I really believe that the Congressional Visitors Center has been mismanaged in such spectacular fashion that it is really sort of a metaphor for the way that the entire Federal budget deficit has been mismanaged, and let me explain what I mean.

This project originally started as a $95 million project to have a modest expansion of the Capitol, to give tourists an opportunity to come in and see a movie about what the Congress was all about before they visited the Capitol. But the security assault on this Capitol and 9/11 has, in my view, been used as an excuse to expand this operation. We have also had other efforts from the Library of Congress and other institutions to further expand this proposition; and so as a result, today, this project is a $500 million-plus project. It is more than a year behind schedule, and I think it is wasting taxpayers' money and wasting an opportunity that we have much more usable space for the Congress at the same time.

What is happening out on the East Front is that over 2 acres of underground space is being added to the Capitol. Some of these is being added for purposes of a visitors center and some of the other space is being added for the purpose of expanding space under control of the Senate and the House to do their work.

We need to know that this Congress needs more working space. In my view, the number one need of the Congress for working space is the need for additional rooms for conference committees between the Senate and the House because most of our hearings, especially on the Committee on Appropriations. When I came here, they were held behind closed doors. The press was not in, the public was not in. So there was plenty of new people to get behind closed doors and work out deals and that is not the way government is supposed to work today.

Today, when we have a conference committee, the press has a right to be there. We need press and the public has the right to be there, too. We have no real room in the Capitol for that kind of facility.

This is an opportunity to create that kind of room. Instead, what has happened? Instead, the only appreciable room of any quality in the new House space is what is called the House hearing room, but in plain language, that room is really a media center. That is going to be where the press focuses and when the Congress is hearing in that room because it will have all of the creature comforts for the press. That room will have ample room for one hearing, one presentation, and whoever runs the Congress will be able to decide that that hearing gets the most attention.

If you are trying to hold another public hearing on another subject in the Capitol, you are going to be stuck in tiny rooms that are worthless in terms of public access. When I went to the visitors center, I asked the Architect why, with these vaulted ceilings that you have set aside for this hearing room, why could you not simply reduce the height of those rooms and at least provide two rooms of approximately the same size so that we had enough overlow room for the committees to do our work and have conference committees? I have yet to get an answer from the Architect's office.

That is my problem. My problem is that with all of this space being created, much of it is not usable for the purpose that we need it used for.

Then we come to the other portion of the add-on, which is the portion devoted to the visitors center. Originally, that visitors center was supposed to have two media theaters so that the public could come in, see a short film about the Congress, and then be on its way.

Here is the problem. We have those two small orientation theaters, but in addition to that, we have this huge congressional auditorium, which is going to seat 450-plus people. I asked the Architect, and this is a vaulted theater, I asked why do we need another theater in the Capitol? What I was told by the Architect is, "Well, you can bring in large constituency groups." I would like to know how many Members of the House have ever brought 500 people into the Capitol. I do not recall ever being told to be many people would raise their hands.

The second thing the Architect told me is that, "Well, we need a place for where the House of Representatives can meet when the House Chamber is being remodeled."
make it more usable for the 100 years at least that it will be used. I urge Members to vote against this bill so we can start over.

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

Mr. LEWIS of California. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois (Mr. LaHood).

(LaHoOD asked and was given permission to revise and extend his remarks.)

Mr. LaHood. Mr. Chairman, first of all, I want to extend thanks to the chairman of the full Committee on Appropriations, the gentleman from California (Mr. Lewis). By this time next week, we will have completed all of the appropriation bills. This is a history-making event in the House of Representatives. I have been here for 11 years; and for the 11 years I have been here, I do not know of another time when we have completed all of our appropriation bills going right up to the July 4 recess break.

That is in large part due to the cooperation that the chairman received from me, the ranking member, and from the gentleman from Wisconsin (Mr. Obey), but in large part also from the leadership exhibited by the chairman of the full committee. He set a very, very high bar, a high standard, and all of the subcommittees were reportable on that; and we will have sent to the Senate all of our appropriation bills as of a week from today or a week from tomorrow. That is an accomplishment that should not go unnoticed, and I compliment the gentleman from California (Mr. Lewis) and the gentleman from Wisconsin (Mr. Obey) for their leadership and also the subcommittee chairmen for that kind of goal setting and then meeting those goals.

Secondly, this is an important bill. This is the legislative branch bill. This is the bill where we say to all of the people, and I personally say to all of the people around the Capitol campus, thank you for the good work you do. The clerks, the people taking down our words here, the CONGRESSIONAL RECORD that will be printed overnight, the Parliamentarians who do such good work in directing the proceedings of the House, all of the Capitol Hill police who stand guard 24-7 and protect the Capitol, the attending physician’s office who keep us all healthy, the people who work in the cloakrooms, the people who help us write bills, the people at CPIT who help us make sure that we get the words correct and get them done correctly in the bills that we prepare and take a lot of credit for.

The folks who work at the Library of Congress. The most magnificent facility on Capitol campus is the Library of Congress. I hate to say it, but it is even more magnificent than this building, but the Library of Congress is a magnificent facility. Members have an opportunity to take full advantage of many books there you can search that can be done. The Botanical Gardens is also a part of our campus. This is the bill that funds all of that.

This is Congress’ opportunity to say thank you to all of the people who work around here. It includes the lawyers who make sure that we do things correctly, and all of the people who work hard day and night to keep this building open, keep Members on the right track to make sure that the things we do are done by the book.

So I pay my compliments to all of the people who make this magnificent facility that we call the United States Capitol the great place that it is where we make the laws and have the debates and have the opportunity to represent the people from all over the country. We could not do it without this bill, without the funding in this bill, and we could not do it without the people who provide all of the services, and are very dedicated, many of whom work late hours to keep this place going. I want to take my hat off to those folks.

I want to say a word about the visitors center. I want to say this: it is a done deal. A done deal six or seven or several years we needed a visitors center. Has it been done all correctly? No. And the points that the gentleman from Wisconsin (Mr. Obey) makes are correct points. A lot of the work that has been done in that center has been done by direction of the staff of the principals. The principals really have not been that involved. They said they wanted a visitors center, and then they allowed the staff over the last 4 or 5 years to give direction. They had their masters on this visitors center, unfortunately.

But it is going to be built, and it is going to be a magnificent opportunity for people to have good shelter and safety. And after 9/11, we do not want people standing outside, we do not want people standing in inclement weather, and there will be an opportunity for people to get a little bit of history before they enter the Capitol. To say we will throw the whole bill out because of the visitors center does not make sense.

I also want to say something about a subject I have felt very strongly about for the last few years, thank the architect and the chief operating officer and others for helping me with this, and that is the development of a staff health fitness center. It is under way in the Rayburn garage. It is for the staff around here who work long hours. There will be a health fitness center that they will be able to take advantage of, to stay healthy and be able to exercise, to have an opportunity to do the same thing that all of the Members have the opportunity to do. I am grateful that we are finally getting that kind of opportunity for our staff to be able to make this happen.

With respect to the provision that was put in the bill having to do with respect to what do we do around here if another disaster happens, if the Members are injured or killed in some kind of an attack, there has to be something that guides the direction of the House in the event that something happens.

The Speaker decided in order to get this moving and in order to get the Senate to go along with something, it had to be included in a bill, and it was put in this bill. It was put in, really, to get something done, to make something happen, to have some provision in the law that something happens.

It is probably not the best way to do it, but maybe it will end up being the most efficient way to do it, to get the Senate finally to come around and sit down and talk to us about what do we do around here and how do we account for succession. The Constitution calls for elections, not appointment. When there is a vacancy, there has to be an election. That is the way we get Members to congregate in this House. That is the way it should be.

My point is the idea that this was included and is some sort of nonessential thing, it is essential that we have a provision in the law that allows us to have an opportunity for a situation where Members need to be replaced. That is really the reason it was put in.

It is a part of the process here. If we want to get things moving, this is one of the ways to do it. It is not unprece-dented. We have included optional provisions in bills before to try and get some compromise with the Senate. I congratulate the Speaker for trying to get something done on this. If it does not happen here, it probably will not happen anywhere we need to have this provision in the law.

I ask every Member to consider the good work that goes on around here, the fact that this is the bill that funds all of this. This is the bill that takes care of all of the work that we do around here. It is a good bill. My compliments go to the gentleman from California (Mr. Lewis) and the gentleman from Wisconsin (Mr. Obey) and the work of the staff people that made it possible for this bill to come to the floor today.

Mr. Obey. Mr. Chairman, I yield 6 minutes to the gentleman from Virginia (Mr. Moran).

Mr. Moran. Virginia. Mr. Chairman. I thank the ranking member of the Committee on Appropriations for yielding me this time, but most particularly for his leadership.

The gentleman from Wisconsin (Mr. Obey) made several points. Some of those points were consistent with the comments of the gentleman from Illinois (Mr. LaHood) that there are a lot of good things about this institution and the facilities that we fund.

But the gentleman from Wisconsin (Mr. Obey) pointed out some of the concerns that many of us share over the Capitol Visitors Center. I share those concerns as well, having been the ranking member of the legislative branch subcommittee before it was incor-porated in the full committee. We raised those concerns from Georgia (Mr. Kingston), and I.

It is not meant to be argumentative, but we have created a situation where
the Capitol Visitors Center is going to create some substantial problems in the future. We have a facility that is going to cost well over what was originally estimated. The original estimate was $185 million. We are now over half a billion dollars. We were going to try to get it under $1 billion. It is still $1 billion now, of course. We were going to have it ready for the January 2005 inauguration. Obviously, we are way behind schedule; but that happens in a lot of construction projects.

We are going to have to complete this and there will be a number of things that we will be proud to show. But some of these situations are going to cause more problems than they are worth. For example, we are creating an enormous capacity for visitors. One would think that would be a good thing, but what is going to wind up happening, they are going to be given a virtual tour of the Capitol. The reason for that is we have the capacity for twice as many people to come into that Capitol Visitors Center as can ever come into the Capitol itself.

Now, do you want to be the Member who tells your constituents, after traveling from any place in the United States, and for many of them it takes a whole day and possibly a night, that they get there, they are all excited and they get to the Capitol Visitors Center and want to go to the Capitol and you have to tell them well, actually, there is no room? Half of the people coming into the Capitol Visitors Center are trying to find out why they are going to have to be informed there is no room in the actual Capitol for you to be able to make a visit today. That is a substantial problem. I think we should have figured that out. I am glad we have capacity; but, again, is it consistent with our real objective, which is to enable all our constituents to see the U.S. Capitol itself?

The taxpayer is paying for this. A lot of the decisions have really not been made by the Members as much as staff, I have to say. It is not the staff of the appropriations subcommittee that has made those decisions, but we have got some major concerns. I think they are well-founded concerns.

I want to raise one now, though, that is not a matter of legislation, but it is one that has been brought to my attention as chair of the Congressional Prevention Coalition. We have tried to do some things to address public health concerns.

One of them is in regard to smoking. We have a ban on smoking in all Federal buildings and any exempt congressional office spaces. I do not want to change that necessarily, I can understand why there is an exemption in place, but we have a particular problem with the Rayburn cafeteria.

With that, I would like to enter into a colloquy with the gentleman from Georgia (Mr. Price).

Mr. PRICE of Georgia. What was the gentleman from Georgia (Mr. Price) trying to do?

Mr. PRICE of Georgia. As the gentleman knows, I withdrew an amendment I had wished to offer relative to placing a plaque in Statuary Hall?

Mr. LEWIS of California. Mr. LEWIS of California. Mr. Chairman, I yield 3½ minutes to the gentleman from Georgia (Mr. Price).

Mr. PRICE of Georgia. Mr. Chairman, I think the gentleman from California for allowing me to participate in this discussion. Would the chairman enter into a colloquy with me regarding an amendment I had wished to offer relative to placing a plaque in Statuary Hall?

Mr. LEWIS of California. Mr. LEWIS of California. Mr. Chairman, I yield the gentleman for yielding me this time.

Mr. Chairman, I would like to commend Chairman Lewis, the committee and the staff for their fine work on this bill and the process. We are coming down the home stretch, and we should all be proud of that.

The bill contains $10.5 million to pay our heating bill, natural gas. That is a 25 percent increase over last year. When we get that kind of an increase, the Architect asks us for more money and we provide it. If natural gas prices continue as they are, next year we will be looking at a $3 to $4 million increase to heat our Capitol complex for the same amount of heat. We can do that. We will provide the money. But when our folks back home heating their homes are losing their homes, I do not think they are going to like these kind of natural gas increases. I think it is time for Congress to act.

As we speak, the fertilizer industry, the petrochemical industry, and the polymers and plastic industry are all making plans to leave permanently, because they use natural gas as heat and they use it to make products as an ingredient. Forty to 55 percent of their costs are natural gas. Natural gas prices in this country are an island to themselves. When we buy $5 or $60 oil, the world whole does. Our gas prices this week are $7.60. Canada's are $5. Europe's are 5-something, China's are $4 giving them a huge advantage, Trinidad $1.60, Russia 90 cents and South Africa 80 cents.

Folks, we will be looking next year at a $3 to $4 million increase to heat this Capitol. By that time, we will have lost some of the industries that I have talked about, and we will have seniors losing their homes because they cannot afford to heat them. I am challenging this Congress to deal with the natural gas issue, the clean fuel, the fuel that does not have pollutants, the fuel we have an unlimited supply of for the next 50 to 100 years; and I am challenging this Congress to deal with natural gas.

Mr. LEWIS of California. Mr. Chairman, I yield 3½ minutes to the gentleman from Georgia (Mr. Price).

Mr. PRICE of Georgia. Mr. Chairman, I think the gentleman from California for allowing me to participate in this discussion. Would the chairman enter into a colloquy with me regarding an amendment I had wished to offer relative to placing a plaque in Statuary Hall?

Mr. LEWIS of California. Mr. Chairman, I yield the gentleman for yielding me this time.

Mr. PRICE of Georgia. Mr. Chairman, I think the gentleman from California for allowing me to participate in this discussion. Would the chairman enter into a colloquy with me regarding an amendment I had wished to offer relative to placing a plaque in Statuary Hall?
Mr. LEWIS of California. Mr. Chairman, let me tell the gentleman that I am very appreciative of his interest in the institution’s history. As he is aware, the Speaker controls the placement of plaques on the House side of the Capitol. Their placement is very restricted. The Speaker attempts to achieve recognition of events and places normally through other means.

The Capitol Visitors Center is being designed to provide our visitors with a full understanding and history of the House and Senate. Included in the CVC is a 16,000-square-foot exhibit hall. In this exhibit hall, the architectural and legislative history of the institution are highlighted.

As part of the currently proposed CVC exhibits are detailed sections on the history of the Capitol and included in this is the fact that when the Capitol was originally built, it was used for more than legislative meetings. It was commonly used as the community center of Washington, D.C. During that time, there were few places for meetings or church services. Thus, it is correct that such religious services were held here.

All these facts are included in the CVC exhibit. I would encourage that the education of citizens be pursued in this venue so that a more complete history beyond a plaque can be presented.

Mr. PRICE of Georgia. Mr. Chairman, I thank the gentleman, and I appreciate so much his working with me on this, and look forward to appropriately recognizing the fact that there have been religious activities in this Capitol from the beginning of our Nation.

Mr. LEWIS of California. There have been, and I very much appreciate the gentleman’s interest in this matter. He and I will be pursuing it as we go forward in the months and, indeed, the years ahead.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, let me tell the gentleman that I am very appreciative of his interest in the institution’s history. As he is aware, the Speaker controls the placement of plaques on the House side of the Capitol. Their placement is very restricted. The Speaker attempts to achieve recognition of events and places normally through other means.

The Capitol Visitors Center is being designed to provide our visitors with a full understanding and history of the House and Senate. Included in the CVC is a 16,000-square-foot exhibit hall. In this exhibit hall, the architectural and legislative history of the institution are highlighted.

As part of the currently proposed CVC exhibits are detailed sections on the history of the Capitol and included in this is the fact that when the Capitol was originally built, it was used for more than legislative meetings. It was commonly used as the community center of Washington, D.C. During that time, there were few places for meetings or church services. Thus, it is correct that such religious services were held here.

All these facts are included in the CVC exhibit. I would encourage that the education of citizens be pursued in this venue so that a more complete history beyond a plaque can be presented.

Mr. PRICE of Georgia. Mr. Chairman, I thank the gentleman, and I appreciate so much his working with me on this, and look forward to appropriately recognizing the fact that there have been religious activities in this Capitol from the beginning of our Nation.

Mr. LEWIS of California. There have been, and I very much appreciate the gentleman’s interest in this matter. He and I will be pursuing it as we go forward in the months and, indeed, the years ahead.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, let me tell the gentleman that I am very appreciative of his interest in the institution’s history. As he is aware, the Speaker controls the placement of plaques on the House side of the Capitol. Their placement is very restricted. The Speaker attempts to achieve recognition of events and places normally through other means.

The Capitol Visitors Center is being designed to provide our visitors with a full understanding and history of the House and Senate. Included in the CVC is a 16,000-square-foot exhibit hall. In this exhibit hall, the architectural and legislative history of the institution are highlighted.

As part of the currently proposed CVC exhibits are detailed sections on the history of the Capitol and included in this is the fact that when the Capitol was originally built, it was used for more than legislative meetings. It was commonly used as the community center of Washington, D.C. During that time, there were few places for meetings or church services. Thus, it is correct that such religious services were held here.

All these facts are included in the CVC exhibit. I would encourage that the education of citizens be pursued in this venue so that a more complete history beyond a plaque can be presented.

Mr. PRICE of Georgia. Mr. Chairman, I thank the gentleman, and I appreciate so much his working with me on this, and look forward to appropriately recognizing the fact that there have been religious activities in this Capitol from the beginning of our Nation.

Mr. LEWIS of California. There have been, and I very much appreciate the gentleman’s interest in this matter. He and I will be pursuing it as we go forward in the months and, indeed, the years ahead.

Mr. OBEY. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Chairman, let me tell the gentleman that I am very appreciative of his interest in the institution’s history. As he is aware, the Speaker controls the placement of plaques on the House side of the Capitol. Their placement is very restricted. The Speaker attempts to achieve recognition of events and places normally through other means.

The Capitol Visitors Center is being designed to provide our visitors with a full understanding and history of the House and Senate. Included in the CVC is a 16,000-square-foot exhibit hall. In this exhibit hall, the architectural and legislative history of the institution are highlighted.

As part of the currently proposed CVC exhibits are detailed sections on the history of the Capitol and included in this is the fact that when the Capitol was originally built, it was used for more than legislative meetings. It was commonly used as the community center of Washington, D.C. During that time, there were few places for meetings or church services. Thus, it is correct that such religious services were held here.

All these facts are included in the CVC exhibit. I would encourage that the education of citizens be pursued in this venue so that a more complete history beyond a plaque can be presented.
works. I followed this project from day one. Let me just for the record set the record straight. First, about private money. We did start out raising private money. Mr. Chairman, the last fund-raiser, we held to raise private money I participated in downstairs in the Speaker’s dining room on the evening of Monday, September 10, 2001. As the Members know, our world changed and the project changed, and after that we put substantial money into the project. Correct. It then went to $265 million. There was money put in the project prior to that time because we had two police officers killed at the front door of the Capitol. Go back and read the testimony of the Sergeant at Arms where he described the scenario that we should have prevented if we had built the structure in advance. So that is why there was additional money put in.

If we look at the record, in October of 2001, it was put in the project; then in April of 2002, $33 million. Add that up, and it is about $70 million. It was all for security after September 11 to protect this, the people’s House.

The additional $70 million for expansion put in the project it was supposed to be smaller. I insisted, as a developer and former real estate person, that it be larger; that we create as much shell space as possible, because we are not going to dig up the front yard of the United States Capitol every year. So we built all of that shell space.

In November of 2001, we decided to build out the additional space for the House of Representatives. It was a wise decision because we will save a tremendous amount of money. As a developer, I could tell my colleagues if we go back afterwards, it will cost us twice as much. So we actually saved money.

Other improvements are for utilities. Some aspects as we put them up, and we could see some of the results; so we will actually save money in utilities.

This is a wise investment. It gives the people of the United States a place to visit, to see the history, the artifacts, and also deal with the capacity issue, because we could never fit them all in this wonderful historic building that is overcrowded, without even the basic accommodations for visitors like restrooms.

So we strongly urge the adoption of this bill and also every Member’s strong support of the largest addition in the history of the Capitol for the people of the United States.

Mr. LEWIS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman from California for yielding me this time.

I want to speak on this bill and in support of this bill. As a former chairman of the Legislative Branch Subcommittee, I had the honor of serving as the chairman, along with the gentleman from Virginia (Mr. MORAN) as ranking member, and during our period of time, holding the gavel for this, we did a lot of reforms, and I think we worked very closely with groups that are well used but underappreciated, such as the Capitol Police, the Library of Congress, the Government Printing Office. We tried to work with these agencies and come up with some reforms that we thought were helpful, and ideas, and we worked for them.

I wanted to say the gentleman from Wisconsin (Mr. OBEY) did a lot of work on the Capitol Visitors Center. I think we had a lot of good suggestions. Many of those suggestions were adopted by the House in our bill, but unfortunately as the bill progressed through the Chambers and got on the other side, the other body insisted on doing things which we thought could have addressed some of the concerns which he has raised today.

So I want to say the House is on record as trying to get a grip on the Capitol Visitors Center, unfortunately without the cooperation of the Senate.

Another group that we have had a lot of, I will say, growing pains with is the Capitol Hill Police. There are a lot of concerns about the Capitol campus a fortress. As we walk up here with the eighth grade class from home campus a fortress. As we walk up here with the eighth grade class from Montrose Middle School, it is a little small; and this is something that we are going to have a good amount on a Member-to-Member basis, how much security should we have?

The Chief of Police has suggested in the past, several times, that we build a wall all around the Capitol, to which, on a bipartisan basis, we have rejected the notion; and yet a wall is not just made out of bricks and mortars but can, in fact, be made out of human beings, and I think to some degree we do have that boundary right now.

And the most perplexing to me that the Chief of Police would insist on a mounted horse unit, a unit which the House had decided was not cost efficient in the past and had cut out. This year the bill does not fund the horse mounted unit, and I think that it should remain that way. I know that there is going to be an amendment to restore it, but if we look at the strategic plan of the Capitol Hill Police, they do not even mention their own horse mounted unit. I think the GAO says, ‘Upon review of the draft United States Capitol Hill Police Strategic Plan for FY 2004 to 2008, and the United States Capitol Threat Assessment, it is unclear how the horse mounted unit supports the Capitol Hill Police strategic mission or how the horse mounted unit would be deployed against threats to the Capitol, because there is no mention of the horse mounted unit in the documents.’

The point is that if the Capitol Hill Police feel that the horses are so important, why are they not mentioning it in their strategic plan? Last year during the debate on this, it was suggested they are better for crowd control. But we do not have crowd control problems here at the Capitol. We do not have demonstrations. We do not have rock concerts. We do not have large masses of people who are coming onto the Hill, particularly in an exhibit. We do have lots of people. We do have lots of people, but mounted police are used best on queuing up large groups of people and pushing back crowds, and that is a threat that we just frankly do not have.

I have a question of this? Their budget calls for $145,000, they say, and we get free rent. But they do not mention that the stable for these horses is 20 miles away from the United States Capitol and that each day not only do the horses have to commute, and Members know what stress that must be on the horses because, good gosh, we have to put up for that, and I do not remember the horses being allowed to get on the Metro system.

But in addition to the horses having to commute, so does the manure. That is right. We have the gigantic pooper-scooper program for the mounted horses, that not only do they come here commuting like the rest of us, but then somebody has to follow behind them, I guess with a baggy from Safeway, as they do in the neighborhoods down in Alexandria. But they have to haul manure off campus at a cost, Mr. Chairman, of $35,000 a year. And for what? To keep some guys on horses in a very tight, small area. This is not acres and acres of land that goes all the way to the Washington Monument. This is a confined area called the United States Capitol.

This is just one of the reforms that this House has gone on record of supporting. This bill does support it now. I think that we should pass the bill as it has been passed by the committee.

I do want to say one other thing. I am supporting the bill. I do think that the committee has done a good job on continuing a lot of the reforms that are in it.

Mr. OBEY. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I appreciated the gentleman from Illinois (Mr. LAHOOD) earlier comments about the fitness center for our employees. When I first came here soon after the gentleman from Illinois (Mr. LAHOOD), I was struck that the showers that were available for our employees were kind of secret. We, I think, cracked the code, found out where they were, and published a map. And we were able to work with the gentleman from New York (Mr. WALSH), the gentleman from Virginia (Mr. KINGSTON), the gentleman from Virginia (Mr. MORAN), that former subcommittee, and now we are moving some things forward. There are now some new showers. Now the fitness center is under construction.
I congratulate the gentleman from Illinois (Mr. LAHOOD) and the committee. I think this is an important development for our employees. It is important for their health, for their morale, for their efficiency, for being able to bike and walk and run to work. I think it is an important signal for them that we value their work.

I also appreciated comments that he made about the gem, which is the Library of Congress. I must confess I have some concerns in looking at this budget cycle. We basically flattened the Library of Congress, and we have missing from this, and part of the reduction is, the money that has been set aside for facilities to deal with the massive amount of information that is compiled by the library. The Library of Congress is the largest repository of information in the world. We have an obligation in Congress to support their efforts, and it is time sensitive. Not only are they running out of space, running out of time, there are issues of being able to protect the materials that they have. And I am afraid that if we slip a year, then we slip another year, we end up putting a burden on the people who run the Library of Congress and we put part of that collection in jeopardy.

Look at what happened to the Library of Congress Jefferson Building being neglected for decades and it took a major renovation for the library, that gem that we are all so proud of, to be fit for use in time for its centennial.

Now, I would like, if I may, to ask my colleagues, before we pass this appropriations bill with legislative language in it alleging to maintain continuity, to maybe address a couple of questions, before my colleagues vote on this. It is not going to be a filibuster, but just to address some questions.

How will we, given Madison’s concern, maintain checks and balances during the 49-day period until we have the special elections? I would be happy to yield 30 seconds to anyone who plans to vote for this bill to address that question.

Mr. LAHOOD. Mr. Chairman, will the gentleman yield?

Mr. BAIRD. I yield to the gentleman from Illinois.

Mr. LAHOOD. Mr. Chairman, I will address it in this way: I was here on 9/11, as the gentleman was. There is absolutely nothing for the Members of Congress to do. That is the answer to the gentleman’s question. The whole thing was taken over by the administration. There is nothing going on in the Library of Congress, any major decisions to be made during that period of time. We do not need to be around here.

Mr. BAIRD. Mr. Chairman, reclaiming my time, the fact is this Congress took a number of very important actions, as the distinguished gentleman from Illinois knows, during that same time period. Let me ask this: If what the gentleman is saying is that we are not going to do anything, the executive branch has all the control, then how do we not just define Madison’s very definition of tyranny? And if that is the case, are we not with this bill promoting tyranny in this country?

Mr. LAHOOD. Mr. Chairman, will the gentleman yield?

Mr. BAIRD. I yield to the gentleman from Illinois.

Mr. LAHOOD. Mr. Chairman, we were all meandering around here trying to figure out what to do, trying to figure out how to get our phones working. All of the major legislation that was created was created long after the period of time that the gentleman is talking about.

Mr. BAIRD. Mr. Chairman, reclaiming my time, I would beg to differ, and the gentleman, I think, is inaccurate historically.

Mr. LAHOOD. If the gentleman will further yield, what is the time frame?

Mr. BAIRD. Mr. Chairman, I do not have it on the top of my head, my friend; but I can say that it is much faster than 7 weeks. I would assert, furthermore, that if the gentleman’s assertion is that we do not need the United States Congress post a catastrophic attack to think you are making a mistake and doing a disservice. If that is what you are voting for, then let us be honest with the American public, as apparently the chairman of the committee on the Judiciary has been.

We are voting with this bill to allow martial law, and I think that is a grave mistake.

Let me continue, if I may, and ask a few other questions. How many millions of Americans are you willing to leave without representation as article 1, section 8 responsibility such as declarations of war, appropriations of funds, etcetera, are made? How many millions of Americans is the gentleman willing to leave without representation?

Mr. LAHOOD. I was going to respond to the gentleman’s other questions.

Mr. BAIRD. Okay. So we do not have that answer.

Let me ask this question: under the bill, the section that is proposed, I have yet to figure out what happens to this body.

The CHAIRMAN. The time of the gentleman from Washington (Mr. BAIRD) has expired.

Mr. OBEY. Mr. Chairman, I yield 10 seconds to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Chairman, I would suggest that with these questions remaining, we should not be passing this legislation in the manner in which we are. We need a full and open and extensive debate on this.

Mr. LEWIS of California. Mr. Chairman, I rise to yield time to the gentleman from California (Mr. DREIER); but before doing so, I just want to mention that the previous speaker had a constitutional amendment regarding the issue of continuity in the last Congress, and on that constitutional amendment the vote was 63 yea and 335 nays. To say the least, the constitutional approach is difficult.

Mr. Chairman, I am glad to yield 3 minutes to the gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Chairman, I thank the distinguished gentleman from California, the chairman of the Committee on Appropriations, for yielding me this time; and I want to congratulate him on the work that he has done, not only on this legislation, but on all of the appropriations bills.

We have debated this issue, Mr. Chairman. We debated this issue in the 109th Congress. We have had three markups on this issue, two in the Committee on Appropriations, one in the Committee on the Judiciary, and we had 122 Democrats who joined with us in support of a responsible piece of legislation which, in fact, encourages the Madisonian vision of an elected people’s House.

Now, I heard my friend from Wisconsin talk about the fact that if we are going to pass this legislation, he would support it if we went ahead with a constitutional amendment. It was the distinguished chairman of the Committee on Appropriations who just said we had that debate. Sixty-three Members of this House chose to support a constitutional amendment. The only reason that we are here at this moment and at this debate is that nobody has refused, last year and since March of this year, to proceed with acting on this House’s housekeeping
matter. It is a housekeeping matter for the House of Representatives to maintain the process of elections.

Now, I think that if we look at the debate that we have had, if we look at the fact that we have continued since September 11 to focus on a wide range of matters that impact this institution and the challenge that we never faced in our history, I believe that having this very important legislation that was passed by a margin of 329 in this Congress, 329 to 68, that including all of the legislative appropriations bill is the most appropriate way to deal with it.

We chose in the Committee on Rules to allow the gentleman from Washington (Mr. BAIRD) to have an opportunity to strike this measure; and in just a few minutes, we are going to, once again, have a vote on whether or not we allow the process of elections to go ahead.

Now, it is very true, it is very true that it would be difficult, it would be messy, it would be ugly; but Walter Dellinger, the former Solicitor General, a great constitutional scholar from Duke University, made it very clear in his testimony before the Committee when we talked about this issue, that he would prefer to see a House of Representatives that is comprised of fewer Members that are actually elected by the people than would be appointed.

Now, my friend from Washington State talks about the fact that these appointed people would be running our country and we would not have elected people. Under the constitutional amendment that my friend supports, we could see this institution, the people's House, consist of individuals who are appointed making decisions over those who are elected; and I think that is counter to the entire intention that was put forward by the Framers of our Constitution.

So when this comes up, I am going to urge a "no" vote on the Baird amendment.

Mr. OBEY. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, with respect to the Congressional Visitors Center, we are not saying there should not be one; all we are saying is that the one that is being proposed is screwed up and spectacularly wasteful and needs to be changed.

With respect to the assertion of my friend from Illinois that we do not have to worry about not having a Congress for 45 days because there will not be anything for Members of Congress to do, all I can tell my colleague is, if that is the case, then I wonder why it is that the gentleman from Florida (Chairman BILL YOUNG) and I negotiated a $20 billion supplemental appropriation just a few days after 9/11; and I wonder why it was when we were sitting in the office of the gentleman from Illinois (Speaker HASTERT) until 12:30 at night hammering out differences with people on the Senate side who did not agree with what we had done; and why it is that the President made a commitment of $10 billion to New York; and why we had to spend a lot of time backing him up.

I would also remind the gentleman we had a debate on that very thing when the Committee on Transportation and Infrastructure tried to slip into that bill an extra $10 billion appropriation for the airlines.

There was plenty for us to do after 9/11; and to the gentleman's proposition being set out today, thank God that then we had a Congress around to do it.

If you want to vote for a situation in which we can have no Congress whatsoever for 45 days, then by all means vote for this provision. If you do not, if you think we ought to have some kind of balance and check on the Presidency during that period by having somebody here to do the Nation's business, then my colleagues will reconsider and listen to the gentleman from California (Mr. ROHRABACHER) and the gentleman from Washington (Mr. BAIRD) have to say.

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

Mr. LEWIS of California. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, it was not my intention to speak in these closing moments.

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, just one point. We did that 3 days after 9/11, 3 days.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I think it is important for the public to know that all of us are concerned about continuity of government in the event of a tragedy, and in fact, the Department of the Interior, the Office of the Architect of the Capitol, and the Library of Congress were not be having this discussion if it had not been for 9/11.

But, indeed, there are differences in the approach that one might take. Some prefer a constitutional amendment; and yet we have tried that on more than one occasion. We have had the debate, and very few in this House have supported that proposition. So the Speaker has asked us to go forward with an idea that will be worked on carefully between now and the time we finish our work with the Senate.

But from that point forward, let me talk a bit about the Capitol Visitors Center. My colleague, the gentleman from Wisconsin (Mr. OBEY), and I, early on in this Congress, were not active supporters of a CVC. But, indeed, his leadership and my leadership, at a higher pay grade, made a different decision; so we are carrying forward their work in this process.

I have attended at the visitors center very carefully. It is rather a fabulous addition to the Capitol, the greatest addition that has been made in this century, I believe. Indeed, within the mix of that, while I might change some things, I prefer not to suggest what the details ought to be that the Architect moves forward with. I am critical of the Architect; but in the meantime, I am not one. Therefore, we are going to have another debate and I hope that the gentleman from Wisconsin can enter the Capitol, and it will have a very significant piece of our future history in the Capitol complex. It is going to be a fabulous addition. Indeed, it will be a very high-quality addition that we will all be proud of, but I think it would be a mistake for me to try to erase the architect between now and then.

So with that, Mr. Chairman, this has been a very interesting debate about the work of the people's House. I am very happy to participate in this with my friend, the gentleman from Wisconsin (Mr. OBEY).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today in support of H.R. 2985 the Legislative Branch Appropriations for the fiscal year 2006. However, I find it truly unfortunate that these Appropriations were consistently under-funded because of the tight budget due to the massive tax cuts given to the richest Americans. These Bush Administration tax cuts have created gaps in so many programs and these Legislative Branch Appropriations are no different.

The total funding for this legislation is $2.87 billion which is only 2% more than current levels and $270 million (9%) less than requested by the various legislative offices and agencies. This bill appropriates $1.1 billion for operations of the House of Representatives which is only $13 million (1%) more than current funding and $13 million (3%) less. It is unfortunate that these Appropriations are so tight, when the cost of operating the House of Representatives is in fact getting higher. These costs are becoming higher because the needs of our constituencies are becoming greater. With these unfortunate budget cuts in place it will be our constituents who suffer. Regardless of these cuts, Congress will continue to function properly and we will serve our constituents proudly, but these cuts in our funding undermine our work to add a significant funding to the House of Representatives, the greatest deficiences can be found in the legislative branch agencies that directly or indirectly support Congressional operations. This funding is only $32.6 million (2%) more than current levels and a staggering $234.8 million (12%) less than requested. Funding for the Capitol Police, who are entrusted with protecting the Capitol Complex and all those who work and visit here actually received $2 million (1%) less than in FY 2005, and $50.4 million (17%) less than requested in this Appropriation. The Architect of the Capitol who have worked so hard in the last year to make the Capitol Complex more accessible to visitors received only $317.3 million, $16.7 million (6%) more than current funding but a full $123.6 million (28%) less than requested. The Government Printing Office (GPO) which serves the demands printing needs of hundreds of legislators every year received only $1226.6 million which is $2.8 million (2%) more than current funding but $8.5 million (6%) less than requested. Indeed, the Library of Congress is the place for Members and staff to conduct research and the institution meant to be our nation's great- est repository of reading materials, even their
funding was cut in this Appropriation. The Library of Congress received $543 million, about equal to the FY 2005 level but $47.8 million (8%) less than requested. It is sad to see these legislative branch agencies, which work so hard and diligently to support the work of Congress, have their funding needs not met. Again, these agencies will continue to support Congress and they will do their jobs well, but these cuts in funding can only lessen their effectiveness.

However, the issue that has me most concerned about this Appropriation is the language of H.R. 841, which would require states to hold special elections within 49 days of the Speaker declaring that more than 100 vacancies exist in the House. First of all, this language has no business being in this Appropriations measure, it clearly legislates on what is supposed to be a spending bill. Truly, the other side of the aisle is trying to sneak in a piece of legislation within this Appropriation in order to force its passage upon the Senate. Furthermore, this language within this bill threatens to weaken the electoral process, to disenfranchise overseas, disabled, and lower-income voters and thereby reduce individual rights. The more expedited the process of replacing the members of the House and the smaller body constituted is, the less legitimacy it will have. Unlike the House constitutes membership of 535 States and through a fair, and transparent process, this body will lack qualities that make it truly "representative."

Despite my objections with certain provisions about this Appropriation, I will vote in favor of this Appropriation because it serves the needs of our Congress. However, I hope that soon our economic and budgeting practices would change so that we are not forced to make so many cuts in vital areas. I also hope that in the future we do not use these Appropriations bills as a way to further our legislative agendas. It is my sincere hope that the institution of Congress, which was made to serve the needs of the people, will continue to be effective no matter the obstacle.

Mr. NUSSELE. Mr. Chairman, at a time when nearly all Federal agencies are facing the need for spending discipline, it is imperative that we apply restraint to ourselves as well—to the operations of Congress itself. This bill—the Legislative Branch Appropriations Act for Fiscal Year 2006 (H.R. 2985)—does that. It holds congressional spending to a modest 1.7 percent increase, compared with 2005. I rise in support of this bill, which complies with the budget resolution for fiscal year 2006.

Most of the funding in this bill goes to non-political agencies and non-elected people, who need to do our work. Federal agencies are facing the need for spending discipline, it is imperative that we apply restraint to ourselves as well—to the operations of Congress itself. This bill—the Legislative Branch Appropriations Act for Fiscal Year 2006 (H.R. 2985)—does that. It holds congressional spending to a modest 1.7 percent increase, compared with 2005. I rise in support of this bill, which complies with the budget resolution for fiscal year 2006.
$161,000; for salaries and expenses of the Office of the Parliamentarian, including the Parliamentarian and $2,000 for preparing the Digest of Rules, $1,787,000; for salaries and expenses of the Legislative Counsel of the House, $2,435,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $6,963,000; for salaries and expenses of the Office of Inspector General, Federal Labor Relations Authority, $720,000; for other authorized employees, $161,000; and for salaries and expenses of the Office of the Historian, $405,000.

For allowances and expenses as authorized by House resolution or law, $223,124,000, including: supplies, materials, administrative costs and Federal tort claims, $1,179,000; official messes, leadership benefits, and administrative offices of the House, $410,000; Government contributions for health, retirement, Social Security, and other applicable employee benefits, $314,422,000; supplies, materials, and other costs relating to the House portion of expenses for the Capitol Visitor Center, $161,000; to remain available until expended; and miscellaneous items including purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary gifts and grants made to the House, and Congressional Research Service products, $3,410,000, to remain available until expended. For allowances and expenses as authorized by law to survivors of deceased employees of the House, $703,000.

CHILD CARE CENTER

For salaries and expenses of the House of Representatives Child Care Center, such amounts as are deposited in the account established by section 312(d)(1) of the Legislative Branch Appropriations Act, 1992 (2 U.S.C. 103j), plus amounts allotted from other appropriations, to be made available until expended for fiscal year 2006. Any amount remaining after all payments are made under such allowances for fiscal year 2006 shall be deposited to the Treasury and used for deficit reduction. Provided, That the Administrator of the Capitol Visitor Center shall be authorized to accept transfers of funds described in this section.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the first session of the 109th Congress, showing appropriations made, expenditures made, indebtedness incurred, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $39,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.
General of the United States Capitol Police (hereafter in this section referred to as the “Inspector General”).

(b) **INSPECTOR GENERAL.**—

(1) **APPOINTMENT.**—The Inspector General shall be appointed by the Capitol Police Board, in consultation with and subject to the approval of the Speaker of the House of Representatives and the President pro tempore of the Senate, acting jointly, and shall be appointed without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(2) **TERM OF SERVICE.**—The Inspector General shall serve for a term of 5 years, and an individual serving as Inspector General may be reappointed for not more than 2 additional terms.

(3) **REMOVAL.**—The Inspector General may be removed from office prior to the expiration of his term only by the unanimous vote of all of the members of the Capitol Police Board, and the Board shall communicate the reasons for any such removal to the Speaker of the House of Representatives and President pro tempore of the Senate.

(4) **SALARY.**—The Inspector General shall be paid at an annual rate equal to $1,000 less than the annual rate of pay in effect for the Chief of the Capitol Police Board.

(5) **DEADLINE.**—The Capitol Police Board shall appoint the first Inspector General under this section not later than 180 days after the date of the enactment of this Act.

(c) **DUTIES.**—

(1) **APPLICABILITY OF DUTIES OF INSPECTOR GENERAL OF EXECUTIVE BRANCH ESTABLISHMENT.**—The Inspector General shall carry out the same duties and responsibilities with respect to the United States Capitol Police as an Inspector General of an establishment carried out with respect to an establishment under section 4 of the Inspector General Act of 1978 (5 U.S.C. App. 4), under the same terms and conditions which apply under such section.

(2) **SEMIANNUAL REPORTS.**—The Inspector General shall prepare and submit semiannual reports summarizing the activities of the Office in accordance with the same deadlines, terms, and conditions, as an Inspector General of an establishment under section 5 of the Inspector General Act of 1978 (5 U.S.C. App. 5).

(3) **INVESTIGATIONS OF COMPLAINTS OF EMPLOYEES AND MEMBERS.**—

(A) **AUTHORITY.**—The Inspector General may receive and investigate complaints or information from an employee or member of the Capitol Police concerning the possible existence of an activity constituting a violation of law, rules, or regulations, or mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to the public health and safety, including complaints or information the investigation of which is under the jurisdiction of the Internal Affairs Division of the Capitol Police as of the date of the enactment of this Act.

(B) **NONDISCLOSURE.**—The Inspector General shall not, after receipt of a complaint or information, disclose the identity of the employee or member without the consent of the employee or member.

(c) **PROHIBITION OF RETALIATION.**—An employee or member of the Capitol Police who has authority to take, direct others to take, recommend, or approve any personnel action, such as dismissal, suspension, layoff, or demotion, may not authorize, take or threaten to take any action against any employee or member as a reprisal for making a complaint or disclosing information to the Inspector General, unless the complaint was made or the information disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

(d) **INDEPENDENCE IN CARRYING OUT DUTIES.**—Neither the Capitol Police Board, the Chief of the Capitol Police Board, nor any person or entity other than the Inspector General may prevent or prohibit the Inspector General from carrying out any of the duties or responsibilities assigned to the Inspector General under this section.

(e) **POWERS.**—

(1) **IN GENERAL.**—The Inspector General may exercise such services and authorities with respect to the United States Capitol Police as an Inspector General of an establishment may exercise with respect to an establishment under section 5 of the Inspector General Act of 1978 (5 U.S.C. App. 5), other than paragraphs (7) and (8) of such section.

(2) **STAFF.**—

(A) **IN GENERAL.**—The Inspector General may appoint and fix the pay of such personnel as the Inspector General considers appropriate. Such personnel may be appointed without regard to the provisions of title 5, United States Code, regarding appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no personnel of the Office (other than the Inspector General) may be paid at an annual rate greater than $500 less than the annual rate of pay of the Inspector General under subsection (d)(4).

(B) **EXPERTS AND CONSULTANTS.**—The Inspector General may procure temporary and intermittent services under section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5131 of such title.

(f) **APPLICABILITY OF CAPITOL POLICE PERSONNEL RULES.**—Nothing in the previous sentence may be construed to prohibit the Inspector General from entering into a contract or other arrangement for the provision of services under this paragraph.

(g) **INDEPENDENCE IN APPOINTING STAFF.**—No individual may carry out any of the duties of the Inspector General unless the individual is appointed by the Inspector General, or provides services procured by the Inspector General, pursuant to this paragraph. Nothing in this subparagraph may be construed to prohibit the Inspector General from entering into a contract or other arrangement for the provision of services under this paragraph.

(h) **APPLICABILITY OF CAPITOL POLICE PERSONNEL RULES.**—None of the regulations governing the appointment and pay of employees of the Office shall apply with respect to the appointment and compensation of the personnel of the Office, except to the extent agreed to by the Inspector General.

(i) **GENERAL.**—Nothing in the previous sentence may be construed to affect subparagraphs (A) through (C).

(j) **EQUIPMENT AND SUPPLIES.**—The Chief of the Capitol Police shall, as part of the Office, provide the Office with appropriate and adequate office space, together with such equipment, supplies, and communications facilities and services as may be necessary for the operation of the Office, and shall provide necessary maintenance services for such office space and the equipment and facilities located therein.

(k) **CLASSIFICATION.**—

(1) **TRANSFER.**—To the extent that any office or entity in the Capitol Police prior to the appointment of the first Inspector General under this section carried out any of the duties and responsibilities assigned to the Inspector General under this section, the functions of such office or entity shall be transferred to the Office upon the appointment of the first Inspector General under this section.

(l) **NO INCLUSION IN PAY OR BENEFITS.**—The transfer of the functions of an office or entity to the Office under paragraph (1) may not result in a reduction in the pay or benefits of any employee of the Office, or entity, except to the extent required under subsection (d)(2)(A).

SEC. 1007. (a) **IN GENERAL.**—Not later than 60 days after the last day of each semiannual period, the Chief of the Capitol Police shall submit to Congress, with respect to that period, a detailed, itemized report of the disbursements for the operations of the United States Capitol Police.

(b) **CONTENTS.**—The report required by subsection (a) shall include—

(1) the name of each person or entity who receives a payment from the Capitol Police;

(2) the cost of any item furnished to the Capitol Police;

(3) a description of any service rendered to the Capitol Police, together with service dates;

(4) a statement of all amounts appropriated to, or received or expended by, the Capitol Police and any unexpended balances of such amounts for any open fiscal year; and

(5) any additional information that may be required by regulation of the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate.

(c) **PRINTING.**—Each report under this section shall be printed as a House document.

(d) **EFFECTIVE DATE.**—This section shall apply with respect to periods of October 1 through March 31 and April 1 through September 30 of each year, beginning with the semiannual period in which this section is enacted.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For salaries and expenses of the Office of Compliance, as authorized by section 365 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301), $3,122,000, of which $780,000 shall remain available until September 30, 2007: Provided, That the Executive Director of the Office, or provides services procured by the Inspector General, pursuant to this paragraph. Nothing in this subparagraph may be construed to prohibit the Inspector General from entering into a contract or other arrangement for the provision of services under this paragraph.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary for operation of the Congressional Budget Office, including not more than $3,000 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $5,450,000.

ADMINISTRATIVE PROVISION

SEC. 1100. (a) **PERMITTING WAIVER OF CLAIMS FOR OVERPAYMENT OF PAY AND ALLOWANCES.**—Section 588(e) of title 5, United States Code, is amended—

(1) by striking “and” at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting “; and”;

(3) by inserting the following paragraph immediately after paragraph (6):—

“(7) the Congressional Budget Office.”.
For all necessary expenses for the maintenance, care, and operation of the Capitol, Senate and House office buildings, and the Capitol Power Plant, $7,723,000, of which $20,922,000 shall remain available until September 30, 2008.

For all necessary expenses for the care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, $7,723,000, of which $20,922,000 shall remain available until September 30, 2008.

For all necessary expenses for the maintenance, care, and operation of the House office buildings, Library of Congress, and the Senate office buildings, $59,616,000, of which $20,922,000 shall remain available until September 30, 2008.

For all necessary expenses for the care and improvement of grounds at the Capitol Visitor Center, the Senate and House office buildings, the Library of Congress, the Capitol, the Capitol Power Plant, the Botanic Garden, and the Capitol Police, $7,211,000, of which $6,580,000 shall remain available until September 30, 2008.

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Library's catalogs; custody and custodial care of the Library buildings; special clothing; cleaning; laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog cards and other Library publications; and expenses of the Library of Congress Trust Fund Board not otherwise available, $58,000,000, of which not more than $6,000,000 shall be derived from collections credited to this appropriation during fiscal year 2006, and shall remain available until expended, under the Act of June 28, 1902 (Public Law 480; 2 U.S.C. 1405) and not more than $500,000 shall be derived from collections during fiscal year 2006 and shall remain available until expended for the development and maintenance of the international Internet database and activities related thereto: Provided, That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: Provided further, That the total amount available for obligation or expenditure shall be reduced by the amount by which collections are less than $6,350,000: Provided further, That of the total amount appropriated, $13,972,000 shall remain available until expended for the acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library of Congress, including $40,000,000 solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additional to the collections: Provided further, That of the total amount appropriated, not more than $12,000 may be expended on the certification of the Librarian of Congress, in connection with official representation and reception expenses, except that $15,000 shall be transferred to the Abraham Lincoln Bicentennial Commission for carrying out the purposes of Public Law 106-173, of which $10,000 may be used for official representa- tion and reception expenses of the National Audio-Visual Conservation Center: Provided further, That of the amounts made available under this heading in chapter 9 of division A of the Miscellaneous Appropriations Act, 2001 (Public Law 106-554; 114 Stat. 2763A-194), $15,500,000 is rescinded.

For necessary expenses of the Capitol Visitor Center project, without any limitation as to the time for which the same may be used, $13,000,000, of which $11,078,000 shall remain available until expended, and not more than $1,990,000 shall be available for travel and subsistence of employees of the American Folklife Center, consistent with applicable law.

For all necessary expenses for the Architect of the Capitol, other than salaries, for the purchase of office equipment, including not more than $5,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve, for the purchase or exchange, maintenance, and operation of a passenger motor vehicle, $77,002,000, of which $350,000 shall remain available until September 30, 2008.

For all necessary expenses for the Architect of the Capitol for salaries, $74,000,000, of which $350,000 shall remain available until September 30, 2008.

For all necessary expenses for the Architect of the Capitol for the purchase and exchange of personal and office equipment; including not more than $5,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve, for the purchase or exchange, maintenance, and operation of a passenger motor vehicle, $77,002,000, of which $350,000 shall remain available until September 30, 2008.

For all necessary expenses for the Architect of the Capitol for the purchase and exchange of personal and office equipment; including not more than $5,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve, for the purchase or exchange, maintenance, and operation of a passenger motor vehicle, $77,002,000, of which $350,000 shall remain available until September 30, 2008.
For necessary expenses of the Copyright Office, $58,601,000, of which not more than $30,481,000, to remain available until expended, as provided in subsection (b) of section 708(d) of title 17, United States Code, provided further, That not more than $109,943,000 shall remain available until expended, as provided in subsection (b) of section 708(d) of title 17, United States Code, provided further, That not more than $5,465,000 shall be derived from collections during fiscal year 2006 under section 111(d)(2), 119(b)(2), 902(h), 1005, and 1316 of such title, of which not more than $1,900,000 shall be derived from collections during fiscal year 2006 under sections 111(d)(2), 119(b)(2), 902(h), 1005, and 1316 of such title, of which not more than $2,000,000 from such collections shall be available for transfer to the Department of State for the FEDLINK Program and the Federal Research Program established under section 1412 of the Copyright Administrative Disturbance Act of 2000 (Public Law 106-481; 2 U.S.C. 182c): Provided, That the total amount of such transfers may not exceed $2,000,000; and Provided further, That the appropriation for the revolving fund account shall reimburse the Library for any amounts transferred to it before the period of availability of the Library appropriation expires.

SEC. 1303. UNITED STATES LIBRARY OF CONGRESS.—For necessary expenses of the Copyright Office of the Library of Congress, in connection with official representation and reception expenses for the Librarian of Congress, in connection with official representation and reception expenses for the Librarian of Congress, in connection with official representation and reception expenses for the Librarian of Congress, in connection with the activities of the International Copyright Institute and for copyright delegations, visitors, and seminars: Provided further, That notwithstanding any provision of chapter 8 of title 17, United States Code, any amounts made available under this heading which are attributable to royalty fees and payments received by the Copyright Office pursuant to sections 111 and 119, and chapter 10 of such title may be used for the costs incurred in the administration of the Copyright Royalty Judges program.

CONGRESSIONAL RESEARCH SERVICE

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States (2 vols., 440,000 words), $99,952,000: Provided, That not part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of information (except the Digest of Public Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Chairmen of the Administration of the House of Representatives or the Committee on Rules and Administration of the Senate.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the Act of March 3, 1931 (chapter 404; 48 Stat. 1487; 2 U.S.C. 355; $54,049,000), the total $15,831,000 shall remain available until expended.

ADMINISTRATIVE PROVISIONS

SEC. 1301. INCENTIVE AWARDS PROGRAM.—Of the amounts appropriated to the Library of Congress in this Act, not more than $5,000 may be expended, on the certification of the Librarian of Congress, in connection with official recognition and compensation expenses for the incentive awards program.

SEC. 1302. REIMBURSABLE AND REVOLVING FUND OF THE GOVERNMENT ACCOUNTABILITY OFFICE.—For the expenses of the Government Accountability Office revolving fund in carrying out the programs and purposes set forth in the budget for the fiscal year 2006 under section 708(d) of title 17, United States Code, and for deposit in the revolving fund in support of the activities of the Ben Franklin Tercentenary Commission established by Public Law 107-202, the total $15,831,000 shall remain available until expended.

(b) ACTIVITIES.—The activities referred to in subsection (a) are reimbursable and re-
United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5131 of such title; hire of necessary vehicles and space for paid services in foreign countries in accordance with section 3324 of title 31, United States Code; benefits comparable to those payable under section 903(5), (6), and (8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), (6), and (8)); and under regulations prescribed by the Comptroller General of the United States, on the quarters of the representatives in foreign countries, $482,395,000: Provided, That not more than $5,104,000 of payments received under section 762 of title 31, United States Code, shall be available for use in fiscal year 2006: Provided further, That not more than $2,061,000 of reimbursements received under section 1918 of title 31, United States Code, shall be available for use in fiscal year 2006: Provided further, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum’s costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants: Provided further, That payments hereunder to the Forum may be credited to any appropriation from which costs involved are initially financed.

PAYMENT TO THE OPEN WORLD LEADERSHIP CENTER TRUST FUND

For a payment to the Open World Leadership Center Trust Fund for financing activities of the Open World Leadership Center under section 315 of the Legislative Branch Appropriations Act, 2003 (2 U.S.C. 1151), $14,000,000.

TITLE II—GENERAL PROVISIONS

SEC. 201. MAINTENANCE AND CARE OF PRIVATE VEHICLES. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations governing to parking facilities for the House of Representatives issued by the Committee on House Administration and for the Senate issued by the Committee on Rules and Administration.

SEC. 202. FISCAL YEAR LIMITATION.—No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 2006 unless expressly so provided in this Act.

SEC. 203. RATES OF COMPENSATION AND DESIGNATION.—Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 (48 Stat. 32 et seq.) or other rates of compensation or the rates of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: Provided, That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.

SEC. 204. CONSULTING SERVICES.—The expenditure of any appropriation under this Act for any consulting service through procurements under section 3109(b) of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued under existing law.

SEC. 205. AWARDS AND SETTLEMENTS.—Such sums as may be necessary are appropriated to the appropriate office as authorized by section 415 of the Congressional Accountability Act of 1995 (2 U.S.C. 1415(a)) to pay awards and settlements as authorized under such subsection.

SEC. 206. COSTS OF LBFMC.—Amounts available for administrative expenses of any legislative branch entity which participates in the Liaison and Federal Managers Council (LBFMC) established by charter on March 26, 1996, shall be available to finance an appropriate share of LBFMC costs as determined by the LBFMC, except that the total LBFMC costs to be shared among all participating legislative branch entities (in such allocations among the entities as the entities may determine) may not exceed $2,000.

SEC. 207. LANDSCAPE MAINTENANCE.—The Architect of the Capitol, in consultation with the District of Columbia, is authorized to maintain and improve the landscape features, excluding streets and sidewalks, in the immediate vicinity of the Capitol extending from the Senate Avenue, SW on the northeast, to the end of the I-395 tunnel on the southwest, to Washington Avenue, SW on the northwest, and the beginning of the I-395 tunnel on the southeast, ir irregular shaped grassy areas bounded by irregularly shaped grassy areas bounded by Washington Avenue, SW on the northeast, Second Street SW on the west, Square 582 on the south, and the beginning of the I-395 tunnel on the southwest.

SEC. 208. LIMITATION ON TRANSFERS.—None of the funds made available in this Act may be transferred by the department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 209. COMPENSATION LIMITATION.—None of the funds contained in this Act or any other Act may be used to pay the salary of any individual who is an officer or employee of a legislative branch during fiscal year 2006 or any succeeding fiscal year to the extent that the aggregate amount of compensation paid to the employee during the year (including base salary, performance awards and other bonus payments, and incentive payments, but excluding the value of any in-kind benefits and any pay in lieu of per diem or meals) exceeds the basic pay for level IV of the Executive Schedule for any member of the Senate or the House of Representatives whose seat has been announced to be vacant and shall be held by a 3-judge panel pursuant to section 2284 of title 28, United States Code.

SEC. 210. A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives.

SEC. 211. (a) No part of the funds appropriated in this Act shall be made within 3 days of the filing of such action and shall not be reviewable.

(b) (i) The executive authority of the State that contains the district of the Member of the House of Representatives whose seat has been announced to be vacant shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the announcement of such vacancy.

(2) P R O T E C T I N G A B I L I T Y O F A B S E N T M I L I T A R Y A N D O V E R S E A S V O T E R S T O P A R T I C I P A T E I N S P E C I A L E L E C T I O N S .—(A) DEADLINE FOR TRANSMITTAL OF ABSENTEE BALLOTS.—In conducting a special election held under this subsection to fill a vacant seat, its results reported shall ensure to the greatest extent practicable (including through the use of electronic means) that absentee ballots are transmitted to absent uniformed services voters and overseas voters (as such terms are defined in the Uniformed and Overseas Citizens Absentee Voting Act) not later than 15 days after the Speaker of the House of Representatives announces that the vacancy exists.

(b) PERIOD FOR BALLOT TRANSIT TIME.—Notwithstanding the deadlines referred to in paragraphs (2) and (3), the case of an individual who is an absent uniformed services voter or an overseas voter (as such terms are defined in the Uniformed and Overseas Citizens Absentee Voting Act), a State shall accept and process any otherwise valid ballot or other election material from the voter so long as the ballot or other material is received by the appropriate State election official not later than 45 days after the State transmits the ballot or other material to the voter.

(4) EXTRAORDINARY CIRCUMSTANCES.—(A) In general.—In this subsection, ‘‘extraordinary circumstances’’ occur when the Speaker of the House of Representatives announces that vacancies that fill the representation from the States in the House exceed 100.

(B) JUDICIAL REVIEW.—If any action is brought for declaratory or injunctive relief to challenge an announcement made under paragraph (A), the following rules shall apply:

(i) Not later than 2 days after the announcement, the action shall be filed in the United States District Court having jurisdiction in the district of the Member of the House of Representatives whose seat has been announced to be vacant and shall be heard by a 3-judge panel pursuant to section 2284 of title 28, United States Code.

(ii) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives.

(iii) A final decision in the action shall be made within 3 days of the filing of such action and shall not be reviewable.

(iv) The executive authority of the State that contains the district of the Member of the House of Representatives whose seat has been announced to be vacant shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the announcement of such vacancy.

(v) PROTECTING ABILITY OF ABSENT MILITARY AND OVERSEAS VOTERS TO PARTICIPATE IN SPECIAL ELECTIONS.—(A) DEADLINE FOR TRANSMITTAL OF ABSENTEE BALLOTS.—In conducting a special election held under this subsection to fill a vacant seat, its results reported shall ensure to the greatest extent practicable (including through the use of electronic means) that absentee ballots are transmitted to absent uniformed services voters and overseas voters (as such terms are defined in the Uniformed and Overseas Citizens Absentee Voting Act) not later than 15 days after the Speaker of the House of Representatives announces that the vacancy exists.

(B) PERIOD FOR BALLOT TRANSIT TIME.—Notwithstanding the deadlines referred to in paragraphs (2) and (3), the case of an individual who is an absent uniformed services voter or an overseas voter (as such terms are defined in the Uniformed and Overseas Citizens Absentee Voting Act), a State shall accept and process any otherwise valid ballot or other election material from the voter so long as the ballot or other material is received by the appropriate State election official not later than 45 days after the State transmits the ballot or other material to the voter.

(6) APPLICABILITY TO DISTRICT OF COLUMBIA AND TERRITORIES.—This subsection shall apply as follows:

(A) To a Delegate or Resident Commissioner to the Congress in the same manner as it applies to a Member of the House of Representatives: and

(B) To the District of Columbia, the Commonwealth of Puerto Rico, American Samoa,
Guam, and the United States Virgin Islands in the same manner as it applies to a State, except that a vacancy in the representation from any such jurisdiction in the House shall not be filled by the Speaker in determining whether vacancies in the representation from the States in the House exceed 100 for purposes of paragraph (4)(A).

"(7) Election to fill vacancies in the House of Representatives—Nothing in this subsection may be construed to affect the application to special elections under this subsection of any law governing the administration of elections for Federal office (including any law providing for the enforcement of any such law), including, but not limited to, the following:


This Act may be cited as the "Legislative Branch Appropriations Act, 2006".

The CHAIRMAN. No amendment to the bill shall be in order except those printed in House Report 109-114. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered read, debatable for the time specified in the report, equally divided and controlled by the parliamentarian and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question. It is now in order to consider amendment No. 1 printed in House Report 109-114.

AMENDMENT NO. 1 OFFERED BY MR. BAIRD

Mr. BAIRD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. BAILD: Page 44, strike line 4 and all that follows through page 49, line 25.

The CHAIRMAN. Pursuant to House Resolution 334, the gentleman from Georgia (Mr. BAIRD) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Georgia (Mr. BAIRD).

Mr. BAILD. Mr. Chairman, I yield myself such time as I may consume.

I want to revisit this issue, and I want to clarify a couple of things. The opponents of a real continuity solution have asserted that the gentleman from California (Mr. ROHRABACHER) and I would take away the right to election. Nothing could be further from the truth. We believe we need real elections, not election to fill vacancies in the House of Representatives in case of a tragedy.

The House debated that amendment in the last Congress, and it was rejected by the resounding margin of 63 ayes to 353 noes. That should have closed this issue of having appointed Members serve, even on a temporary basis. Evidently it has not, and that is why we are debating this here today.

Earlier this year, the House passed the continuity of Representation Act. It was passed overwhelmingly, 329 to 68, a near-unanimous vote. And those who voted for that bill in February ought to vote against the Baird amendment today.

He supported movements to adjourn because they lacked a quorum. And yet this body says, well, gee, you know, it takes too long to amend the Constitution, so let us do things unconstitutionally at a time of national crisis. This is not the way to go about it.

The gentleman from Georgia (Mr. KINGSTON) was right. The gentleman earlier spent some time talking about horse manure. I think we need to spend more time on constitutional issues than we spend on horse manure, but we have not.

In this Congress, we have spent so much time debating so many things of much less importance, and it is fair enough to say that my amendment did not pass. I respect that. That is what this process is about.

But, here is what you have not said, that myself and the gentleman from California (Mr. ROHRABACHER) put forward a rules proposal that would have allowed multiple solutions to this to be debated. Multiple amendments. We could have had a serious and extensive debate. I have to tell you, when I talk to my colleagues and I ask them these questions, how many constituents are you willing to leave, how many millions of Americans with no representation at all, no representation, during a time of national crisis; how willing are you to have a Cabinet member serve as President, with no checks and balances, Secretary of Agriculture, Health and Human Services.

Most Americans do not even know these folks.

If you are so concerned about elected representation, are you not equally concerned about an unelected President with no checks and balances? I certainly am.

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

Mr. DREIER. Mr. Chairman, I seek the time in opposition.

Mr. Chairman, I would like to begin by welcoming the gentleman from Wisconsin (Mr. SENSENDRENNER), the distinguished chairman of the Judiciary Committee, with whom I have been very pleased to work on this issue really since September 11, 2001.

Mr. SENSENDRENNER. Mr. Chairman, I rise in opposition to the Baird amendment. The gentleman from Washington has been very sincere in stating that there ought to be a Constitution amendment to provide for temporary appointments, yet -- and the House of Representatives in case of a tragedy.

The House debated that amendment in the last Congress, and it was rejected by the resounding margin of 63 ayes to 353 noes. That should have closed the issue of having appointed Members serve, even on a temporary basis. Evidently it has not, and that is why we are debating this here today.

Earlier this year, the House passed the continuity of Representation Act. It was passed overwhelmingly, 329 to 68, a near-unanimous vote. And those who voted for that bill in February ought to vote against the Baird amendment today.
The expedited special election procedure will mean that the House will be filled up within 49 days. In this 49-day time frame, the election center has shown that there can be special elections that will have the vigorous debate that the gentleman from Washington (Mr. BAIRD) wants. We have a House of 350 appointed Members outvoting the 85 elected Members that survive the enemy attack.

That is not democracy. We would have an appointed House and perhaps an appointed Senate, and an appointed President of the United States. We ought to reject the Baird amendment. We ought to get the Continuity of Representation Act passed through the other body and made law because it is an important and vital homeland security measure.

Mr. BAIRD. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, it is a perverse reasoning that suggests that having no representation here at all somehow provides you better representation than to have someone appointed by the person you last elected.

You are trying to say that we do not have a Democratic Republic if the elected representatives from other States can have a vote equal to someone from your State. I believe the best way to have a Republic is to have representation from all of the constituents.

If that means temporary appointments, so be it. Finally, we have heard so many times one distinguished scholar quoted, and he is indeed a distinguished scholar. But let me point out to the gentleman from California (Mr. DREIER) as he well knows, the bipartisan legislation, which included Newt Gingrich, Tom Foley, Alan Simpson, Lloyd Cutler, a host of other scholars, has rejected essentially the proposal by the distinguished gentleman from Wisconsin (Mr. SENSCEN-BRENNER), and has concluded with great reluctance that we do indeed need a mechanism to amend the Constitution so that whatever mechanism is arrived at is constitutionally valid.

I would weigh the weight of their testimony and the objectivity and their bipartisanship against one single individual that you continually quote.

Major Votes in the U.S. House of Representatives, September 11-October 26, 2001

September 13, 2001. H.R. 2884, Victims of Terrorism Relief Act of 2001. The bill exempted individuals killed in the 9/11 terrorist attacks, or who die as a result of injuries suffered in those attacks, from paying federal income tax in the year of their death.

September 13, 2001. H.R. 2882, Expedite Public Safety Office Benefits. This bill directed the Defense Department to expedite the benefit payment process for the public safety officers (and their families) that were killed or suffered catastrophic injuries sustained in the line of duty in connection with the terrorist attacks of Sept. 11.


September 14, 2001. H.J. RES. 64, Authorization of Force. The resolution authorized the president to use "all necessary and appropriate force against those nations, organizations, or persons he determines planned, authorized, committed, or aided the terrorist attacks that occurred on Sept. 11, 2001."


September 21, 2001. H.R. 2906, Air Transportation Safety and System Stabilization Act. This bill provided $15 billion in assistance to the U.S. airline industry to help stabilize the financial condition of the industry in the wake of the terrorist attacks.


October 17, 2001. H.R. 3001, Financial Anti-Terrorism Act. The bill gives the Treasury Department new powers to combat money laundering by imposing additional record-keeping requirements and by restricting or banning dealings with suspect foreign financial entities.


October 22, 2001. H.R. 3090, Bioterrorism Enforcement Act of 2001. The bill established criminal penalties for the unsafe or illegal possession or transfer of certain biological agents and toxins—and it required the Health and Human Services Department (HHS) to develop new regulations governing the possession and use of those substances.

October 24, 2001. H.R. 3090, Tax Incentives for Economic Recovery. The measure provided business and individual tax cuts totaling $95.9 billion in 2002 and $139.4 billion over 10 years.


Mr. DREIER. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, James Madison said the value of democracy is solved with more democracy. Now, we regularly talk about the fact that the worst, the worst attack on our soil, was what took place on September 11, 2001.

And it is very true that that is the case for what has happened in modern times. But I would like to remind my colleagues that the Civil War was a very tough time for the United States of America. In fact, the Battle of Antietam saw Southern troops get within miles of this Capitol.

The President of the United States, Abraham Lincoln, made a very firm decision at that point: Proceed with elections. He felt it very important that the American people have an opportunity to participate through elections.

Now, when we think of the unthink-able, a tragic attack which would be like what happened in the United States of America, what is it that the people would do? Well, obviously, one would think about feeding and clothing their family, ensuring that they have a roof over their head.

And, Mr. Chairman, a very important part of coming together following a tragedy is the important role of choosing one's leaders. Now, I do not believe that appointed Members should be making the decision in the people's House. Yes, they can do that as Members, but the other House cannot. That can happen for the Chief Executive of the country.

But in the people's House, no one has ever served here in our more than 200-year history without having first been elected. And this notion of creating a scenario whereby people could serve in the people's House without having first been elected is anathema to the entire basis on which the United States of America was founded.

We would have to deal with a crisis, but we would come up with a compromise. Forty-nine days is the amount of time during which people could come together and hold elections and have their representative, that is why we are called representatives, their representative could come here and have the chance to serve.

It is very clear to me that the House of Representatives has, as has been said, spoken. Sixty-three Members of 435 voted in favor of our proceeding with a constitutional amendment. Sixty-three Members for a constitutional amendment. We know that it takes a two-thirds vote. We found that out earlier today. And obviously that is not what the people's House wants.

And so, Mr. Chairman, I urge my colleagues to reject the Baird amendment, and create an opportunity for us to let the other body act on a House provision which is so vitally important to the deliberative nature of this great body.

Ms. MILLENDE-MCDONALD. Mr. Chairman, I congratulate the gentleman from Washington for his long-time leadership on this issue.

Ms. MILLENDE-MCDONALD. Mr. Chairman, I support this amendment to strike legislation which has nothing to do with the appropriations process, legislation which has been improperly placed in this bill, the text of H.R. 841, the "Continuity in Representation Act of 2005." That bill has already passed the House twice, in slightly different forms, in the spring of 2004 and most recently on March 3, 2005. The Senate refused to consider it the first time, and it is currently pending on the Legislative Calendar in the Senate, where it

CONGRESSIONAL RECORD—HOUSE

H4953

June 22, 2005
will remain unless objections by various sen-
ators are dealt with.

Make no mistake: there are senators who strongly oppose this bill, and virtually none who care about it, or strongly support it, or want to take up the Senate’s time with it. This means that, if the bill is to move at all, its sup-
porters need to take the objections seriously, be prepared to negotiate, and avoid further antagonizing the opponents.

As Ranking Member of the committee of ac-
tual jurisdiction, the Committee on House Admin-
istration, I have never been consulted by the Majority about beginning negotiations with the Senate to try to resolve the objections and get a bill which can clear both chambers. Whether such as effort could succeed is un-
clear, but—notthi ng ventured, nothing gained.

Instead, the House Appropriations Committee has, to its obvious discomfort, effectively been hijacked by the House majority leadership to load the bill onto Legislative Branch Appropriations in the belief that the Senate will meekly submit to anything tucked into the House title. I am not going to reargue the substantive issues at hand. But I do have a bad bill I oppose it and voted against it. We should not get a bill which can clear both chambers.

Unfortunately, some of the House sponsors appear to be treating a controversial and sen-
sitive subject as if it were a perk of the House, as though the House alone somehow had ac-
quired, contrary to the Constitution and other Federal laws, the right to control the proce-
dure under which its Members are elected. This position has gotten them nowhere. I be-
lieve it is in fact counter-productive.

During the Appropriations markup, there were numerous questions about the continuity amendment which Chairman LEWIS, who of-
fered it, was unable to answer. It was obvious that the committee had no idea what it was being considered, based on the thun-
derous chorus of “nays” on the voice vote, was reluctant to be forced to do it.

Mr. Chairman, H.R. 841 is under the juris-
dictions of the Committee on House Admin-
istration. It has nothing to do with the appropta-
tions process. It has serious problems. The sponsors need to change their tune. Attempt-
ing an end run around the regular order on what is, despite their spin, a very controversial bill, does nothing to enhance credibility in po-
etial negotiations with the Senate.

If there is no need for a unit, let the Members who care about and understand the issues en-
gage seriously with those of differing views. That is how legislation becomes law. Not this way.

I urge adoption of the Baird amendment to strike Title 3

Ms. JACKSON-LEE of Texas. Mr. Chair-
man, I rise today in strong support of my col-
league Mr. BAIRD’s amendment to H.R. 2985 the Legislative Branch Appropriations for fiscal year 2006. The Baird amendment would strike the language of H.R. 841, which would require states to hold special elections within 49 days of the Speaker declaring that more than 100 vacancies exist in the House. First of all, this language has no business being in this Appr-
bations measure, it clearly legislates on what is supposed to be a spending bill. Truly, the other side of the aisle is trying to sneak in a piece of legislation within this Appropriation in order to force its passage upon the Senate.

Furthermore, this language within this bill threatens the electorate process, to disenfranchise overseas, disabled, and lower-
income voters and thereby reduce individual rights. The more expedited the process of re-
placing the members of the House and the smaller the body constituted is, the less legit-
imacy will have. Unless the House con-
stitutes members from all 50 States and through a full, fair, and transparent process, this body will lack qualities that make it truly “representative.”

Fifty-nine days is simply not enough time for a state to hold the most free and fair elec-
tions. Special elections on average, take four months. In the event of a catastrophic dis-
aster, elections should be held on an expe-
dited time schedule. The pillars of what makes American democracy unique, however, should not be toppled in the pursuit to do so. True democracy cannot be hobbled by the very eligible women or man has the right to run for office and to vote freely and under fair circumstances.

Under the guidelines of this language, this would not be possible. Many states would have to forgo party primaries and the system should lend itself to the wealthiest and most well-known candidates’ ability to run virtually unopposed. All debate of the candidates’ plat-
forms or characters would be nearly muted, and in effect, Americans would vote “in the blind.”

Significant disenfranchisement will likely occur in the unrealistic time frame that the lan-
guage of H.R. 841 offers in this Appropriations measure. There would be no way to mail out and receive absentee ballots in time. Over-
seas Americans, including those in the mili-
tary, would not have a realistic chance to vote. Yes, the legislation ostensibly offers military and overseas voters an opportunity to be heard, but 15 days simply are not enough.

There is something unseemly about denying our men and women of the military the right to vote, and yet Congress has been sufficient enough to make military elections imagi-
nable, when we would be replacing perhaps the entire House. Logistically, many states would not have sufficient time for voter reg-
istration. It would be difficult to even print the ballots in the time allotted under this Act. There are only a few ballot printing companies in this country and a limited supply of ballot-
appropriate paper stock. In the case of elec-
tronic voting, programs must be written, and even under ideal circumstances, not all the technical glitches have been sufficiently worked out to assure voter privacy or the fidelity of the system.

The language of H.R. 841 in this bill pro-
poses to make the issue of state elections a “federal question.” However, just because this issue would become federalized does not mean that we should frustrate the essential elements of democracy. The processes of es-

inglishing the eligibility of state candidates, voter registration, voter freedom of choice, and equal access to voting under the Civil Rights Act must be preserved—even in the face of a catastrophe. Democracy should not be aban-
doned simply because our leadership may have to suddenly change.

Clearly, this language does not belong in this Appropriations bill, nor does it serve the

best interest of the American people. I urge all my colleagues to support the Baird amend-
ment and remove this improper language from the Legislative Appropriations bill.

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

The CHAIRMAN. The question is on the amendment offered by the gent-
leman from Washington (Mr. BAIRD).

The question was; and the Chairman announced that the noes ap-
peared to have it.

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

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gen-
tleman from Washington (Mr. BAIRD) will be postponed.

Is it now in order to consider Amend-
ment No. 2 printed in House Report 109-144.

AMENDMENT NO. 2 OFFERED BY MRS. JO ANN DAVIS OF VIRGINIA

Mrs. JO ANN DAVIS of Virginia. Mr. Chair-
man, I offer an amendment.

The CHAIRMAN. The Clerk will desig-
nate the amendment.

The text of the amendment is as fol-
loows:

Amendment No. 2 offered by Mrs. Jo Ann DAVIS of Virginia:\n
Strike section 1002.

The CHAIRMAN. Pursuant to House Resolution 334, the gentlewoman from Virginia (Mrs. Jo Ann Davis) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentle-
woman from Virginia (Mrs. JoAnn Davis).

Mrs. JO ANN DAVIS of Virginia. Mr. Chair-
man, I yield myself as much time as I may consume.

Mr. Chairman, my amendment is very simple. It strikes the language from the bill that prevents the Capitol Police from continuing the horse mounted unit, and it strikes language that requires the current horse mount-
ed unit to be transferred to the Park Police.

This small yet valuable unit is irre-
placeable in protecting the Capitol grounds against potential threats. The benefits of mounted patrols are recog-
nized worldwide by law enforcement communities. Transferring the horse mounted unit to the Park Police is in-
adequate to meet the security needs of the Capitol complex.

In the past, the Park Police’s horse mounted unit has been unavailable when requested by the Capitol Police. Additionally, with the Capitol Police’s mounted unit dismantled, in the event the Park Police were able to respond, all of that manure that they were talking about, there would be no one to clean it, no one to guard the Capitol against potential threats, as well as an impor-
tant part of improving community re-


It is my understanding that the cost of maintaining this unit for fiscal year 2006 is somewhere around $155,000 to $160,000. Currently five horses are used by five mounted officers and two sergeants. The mounted unit provides greater mobility, increased visibility, and an ability to view a larger area from a greater distance as compared to other officers.

Additionally, the work of one mounted officer is akin to the work of 10 officers on foot. In these dangerous times with constant and changing threats against the United States Capitol Complex, the Capitol Police deserve all of the tools that they deem necessary at their disposal.

The mounted unit has proven very successful over the last 6 months. It has assisted with three arrests, worked 33 demonstrations, issued more than 200 notices of infraction, responded to assists in 9 reports of suspicious packages, responded to 16 calls for crowd control assistance, and responded to 28 calls for assistance in traffic accident incidents.

Mr. Chairman, I sincerely hope the Capitol Police's mounted unit can continue, as it provides an invaluable and unmatched service at protecting our Capitol grounds.

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

Mr. LEWIS of California. Mr. Chairman, I rise to claim the time in opposition to the amendment, and I ask unanimous consent that the gentleman from Wisconsin (Mr. OBEY) control 2½ minutes of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OBEY. Mr. Chairman, I yield 2½ minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I thank the esteemed leader from Wisconsin (Mr. OBEY) control 2½ minutes of my time.

The CHAIRMAN. Is there objection to the request of the gentlemen from California?

There was no objection.

Mr. OBEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I consider myself to be a horse person. As a matter of fact, at one time in my life I thought I might be a veterinarian because I loved horses and dogs so much.

In the meantime, I watch them parade around the Capitol, and I have wondered from time to time about their relative value. The GAO has cited that the Capitol Police have difficulty quantifying the benefit the unit provides. GAO was not able to substantiate the claim of one mounted officer doing the work of 10 people.

The horses right now are housed, I heard my colleague from Virginia say earlier, that they were housed 20 miles away. That is correct, they are. And he said that they have to be under stress whenever they are in traffic. Well, I am a horsewoman. I have seven horses of my own. Let me tell you, it does not cost me $155,000 for seven horses. We five horses here, and it certainly does not cost three-quarters of a million dollars, and we do not have to provide health benefits and retirement and the like to the horses.

I think we are cutting short a program that we have not given a chance. I urge my colleagues to support my amendment. I think it is a good cause. I think the horses do a great job. It is great PR for us. I see folks going up and talking to our Capitol Police Officers. Yes, the police officers do have horses here, but I think it is hard for them to see the guys on the bicycles are not sitting up as high as the guys and gals on top of the horses. So if there is a problem, they cannot see over the cars; they cannot see through the crowds.

I am pretty passionate about this whole situation. Yes, I am. I just do not think we have given this program the time it needs to really be evaluated, and I go back to what the GAO study says, that it is still evolving. I will remind Members in the GAO study they do not recommend eliminating the mounted horse patrol. That is critical. They do not recommend eliminating it. Give it time. Let us let them have their day.

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

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

I found one other reason to love the gentleman from Virginia (Mrs. Jo Ann Davis). Her caring for horses as much as I do is a thrill to me. The problem is I have studied this material.
and cannot find that this is the best way to use our funding, especially when these horses will have a new home where they might be used more effectively.

Mr. Chairman, I yield the balance of my time to the gentleman from Illinois (Mr. LAHOOD).

Mr. MORAN of Virginia. Mr. Chairman, will the gentleman yield?

Mr. LAHOOD. I yield to the gentleman from Virginia.

Mr. MORAN of Virginia, Mr. Chairman, number one, when is the best time to eliminate a program other than before it gets fully established? So I think it is important to follow the committee’s recommendation.

The second thing is that we know that the police have asked for stables. Once they establish stables, the costs goes up; the program is more established. We have got more investment. Now is the time to kill it. Consolidate it with the Park Police. I fully agree with the committee’s recommendation. I thank the gentleman for yielding to me.

Mr. LAHOOD. Mr. Chairman, this is the second year that we have attempted this. That is pretty good time for eliminating a program. We had a big debate about this last year. We had a big debate about it this year. There is nobody who spends any time around here who does not think this place is secure. It is not going to be made less secure by having a few people riding horses around here. Now, for the aesthetic part of it, it might be lovely; but for the security part of it, it is nonsense. It is a waste of money. They will be better used by the Park Service, certainly, than they will be used by the Park Police. I fully agree with the committee’s recommendation.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia (Mrs. JO ANN DAVIS) will be postponed.

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

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the fiscal year 2006 appropriations has been held at the fiscal year 2005 level. This is a decrease of $2.5 million below the 2004 level. The Record is distributed in accordance with title 44, chapter 9 of the U.S. Code; and within that there are 3,000 copies that go to Members of the House and Senate, 153 copies to the Library of Congress, et cetera. I can provide the balance of this in the Record.

3,018 copies to Members, House 1,479 copies, Senate 1,539 copies; 153 copies to the Library of Congress; 754 copies to public agencies and institutions designated by Senators; 698 copies to Federal agencies that pay for the copies; 521 copies to subscribers who pay for the copies; 692 copies to Federal Depository libraries nationwide.

I would say to the gentleman from Wisconsin (Mr. OBEY), that it is my feeling that an amendment like this where people are kind of reacting to the CONGRESSIONAL RECORD, et cetera, will likely pass overwhelmingly. And if I am correct in that, I would be inclined for us to stand back in this discussion. If the gentleman agrees with me, and perhaps discuss this further as we go to conference.

What would be the gentleman’s reaction to that?

Mr. OBEY. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Chairman, I would simply say that passing this amendment would not eliminate the publication of the CONGRESSIONAL RECORD. It will simply create a financial shortfall which will have to be dealt with in the future. I personally prefer to use the printed RECORD than I do the online RECORD.

Mr. LEWIS of California. And I do as well.

Mr. OBEY. I do my work in lots of places besides the office, and I do not
use a computer. I use a pencil. So I would just suggest that I think the amendment is outrageous and misbegotten; but if the gentleman wants to accept it, we can deal with it in conference. We will work it out.

Mr. LEWIS of California. Reclaiming my time, the gentleman is always a gentleman.

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

Mr. FLAKE. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I am pleased to join the gentleman in co-authoring this amendment. And I hope that our distinguished chair and ranking member of the Committee on Appropriations will be able to, in fact, deal with this in conference in a serious manner because it is not just a matter here of saving over $5 million a year just in printing costs, and it is not a matter of saving some 57 tons of paper.

What this is about is being able to, with all due deference to the ranking member, not impose on this Congress a regimen of printing 6,000 copies of a relic of the past that is not necessary for every bookshelf and 222 subscribers in America to America to the printed version of the CONGRESSIONAL RECORD. They will be, under this amendment, available to any Member of Congress who wants them; but it is important for us to have your help as members of the committee to be able to nudged us along to get into the 21st century.

This is an opportunity for us to be able to take advantage of paperless activities, having paper where people need it, having a certified smart person who works for us print out what we need and save us the time not to thumb through to try and find it.

1745

I think it is important for us to approve this. This is not a minuscule item. It is symbolic of what we can do in the vast Federal bureaucracy to break the stranglehold of past action and move to take advantage of this technology that we have invested, not hundreds of millions, but billions of dollars every year.

This is a small important step to move us in the right direction.

Mr. LEWIS of California. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I thank the gentleman for the time.

The only point I would like to make is that in 1985, we have eliminated the only growth has only grown by 4 percent. So in more than 10 years we have only had a 4 percent growth, much less than inflation.

We have worked hard to reduce the number of copies. In 1985, we have eliminated the bound copies of the CONGRESSIONAL RECORD. I do not know if people have noticed, but we eliminated that which used to be a tradition, and since 1995 we have reduced the number of copies from 18,000 per day to 6,000. I mean, that is substantial progress. The largest cost of the RECORD is preparing the data for printing and on-line dissemination, and that cost is going to be occurring regardless.

Ms. MILLENDER-McDONALD. Mr. Chairman, as the Ranking Member of the Joint Committee on Printing, I oppose the amendment offered by my friends from Arizona (Mr. FLAKE) and Oregon (Mr. BLUMENAUER).

According to the GAO, the congressional printing and binding appropriation supports the distribution of 3,994 copies of the CONGRESSIONAL RECORD, of which 2,293 copies, or more than 57 percent, go to the Senate. If there are too many copies of the RECORD being charged to the Congress, the problem lies in the other chamber.

Mr. Chairman, Congress has addressed this problem in recent years. Not long ago, there were 18,000 copies of the RECORD produced each day. Now there are fewer than 4,000. The law provides for Members to receive three copies, and Members who don't need three copies can reduce printing costs by informing the Clerk of that fact. This is a reasonable approach, since the RECORD is available on-line, and perhaps for some Members the on-line version will suffice. But the printed RECORD remains available for every Member of both Houses, and I don't believe the proper approach to this question is to reduce funds for the RECORD by 83 percent, as this amendment would do.

I believe the Appropriations Committee has looked at this very carefully over the past several years. Speaking for the minority side of the Joint Committee on Printing, I am certainly willing to examine this question further. I urge a "no" vote.

Mr. LEWIS of California. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from California's (Mr. LEWIS) time has expired. The gentleman from Wisconsin (Mr. OBEY) has 2 1/2 minutes remaining.

Mr. FLAKE. Mr. Chairman, I am willing to save time and money, and I yield back the balance of my time.

Mr. OBEY. Mr. Chairman, if the gentleman is willing to stop talking, I am willing to stop talking. I will vote for whichever side stops talking first.

Mr. FLAKE. Mr. Chairman, I am willing to save time and money, and I yield back the balance of my time.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. FLAKE).

The amendment was agreed to.

The CHAIRMAN. The amendment offered by the gentleman from Arizona (Mr. FLAKE) has 1 minute remaining.

Mr. OBEY. Mr. Chairman, if the gentleman is willing to stop talking, I am willing to stop talking. I will vote for whichever side stops talking first.

Mr. FLAKE. Mr. Chairman, I am willing to save time and money, and I yield back the balance of my time.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. FLAKE).

The amendment was agreed to.

The CHAIRMAN. The amendment offered by the gentleman from Arizona (Mr. FLAKE) has 2 1/2 minutes remaining.

Mr. FLAKE. Mr. Chairman, I am willing to stop talking. I am willing to save time and money, and I yield back the balance of my time.

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

The CHAIRMAN. The amendment offered by the gentleman from Arizona (Mr. FLAKE) has 1 minute remaining.

Mr. MCCAUL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment for the gentleman from Texas (Mr. McCaul), my good friend and fellow freshman Republican colleague, who unfortunately could not be here this afternoon to offer this amendment. One of his predecessors in the 10th District of Texas died tragically just a few days ago, Congressman Pickle, and the gentleman from Texas (Mr. McCaul) did attend his funeral and could not be here today to vote nor could he be here today to offer this amendment. So I offer it in his stead.

As a good conservative and someone who minds the fiscal house of the United States Government, the gentleman from Texas (Mr. McCaul) offered this amendment that would simply reim in the cost of printing, just much like the gentleman from Arizona (Mr. FLAKE) offered a few moments ago.

This would simply take $2 million out of the printing budget for our legislative branch and give that $2 million to security. It would take care of security equipment and weapons for Capitol Hill Police.

So at this time, I would simply like to recommend the House do accept this amendment that would rein in excessive spending. It is not that I am against printing or paper, or it is not that I am against ink either, but certainly I think we should restrain spending where it has gotten out of hand and our printing budget is clearly out of hand. I think we and each individual Congressman's office can actually rein in that spending ourselves and actually print out the bills that we need.

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

Mr. LEWIS of California. Mr. Chairman, I rise to claim the time in opposition to the amendment, and I ask unanimous consent that the gentleman from Wisconsin (Mr. OBEY) control 2 1/2 minutes of that time.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, since 1999 we have appropriated over $170 million to the Capitol Police specifically for security enhancement. In addition, we have provided $84 million for the Architect for Capitol Police specifically for security. In addition to the $2,345,000 provided in this bill for general expenses, the Capitol Police have $32,653,000 in unobligated balances, for a total of almost $62 million.
This $2 million amendment is interesting, but the police, in this instance, do not need an additional $2 million, and because of that, I strongly oppose the amendment.

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

Mr. OBEY. Mr. Chairman, I yield myself such time as I may consume.

As someone considerably more famous once said, The world will little note nor long remember what we either say or do here today on this matter.

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

Mr. MCHENRY. Mr. Chairman, I yield myself such time as I may consume.

I thank the gentleman for the eloquence and the simplicity of his statement, and as a new Member here, I certainly respect my senior Member’s opinions on this matter, and I do concur.

With that, I would certainly appreciate the kindness of the House in voting for this amendment that would somewhat restrain our spending in the matter of printing here in Congress. And I certainly do not view that 1 percent, in this instance, I just think we need to fund security rather than paper and printing, and with that, I would urge the adoption of this amendment.

Ms. MILLER-MCDONALD. Mr. Chairman, I oppose the amendment offered by the gentleman from North Carolina [Mr. MCHENRY].

As the ranking Member of the Joint Committee on Printing, I can appreciate the gentleman’s interest in reducing excessive printing and do not want to limit the GPO’s general interest in that task. Nevertheless, I do not think that the 1 percent reduction requested by the gentleman from California (Mr. Lewis) will control 5 minutes. The CHAIRMAN, pursuant to House Resolution 334, the gentleman from Colorado (Mr. Hefley) and the gentleman from California (Mr. Lewis) each will control 5 minutes. The Chair recognizes the gentleman from Colorado (Mr. Hefley).

Mr. Hefley. Mr. Chairman, I yield myself such time as I may consume.

I rise today to offer an amendment to cut 1 percent of the level of funding in this appropriation bill. This amount to roughly $28 billion for the legislative branch appropriations bill, and it is no reflection on the Chairman or the ranking member. The GPO performs some very good things in here, particularly in that hole of waste we have in the East Front of our Capitol which goes on and on and on. They have done a great job in trying to rein that in.

I simply think that with all of these appropriation bills, with most of them, we can find 1 percent to cut, and that will move us in a tiny way towards a balanced budget. So I offer the amendment.

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

Mr. Lewis of California. Mr. Chairman, I yield myself such time as I may consume.

I appreciate very much my colleague’s comments. Mr. Chairman, reviewing the markup of this bill, we pared down the total requests considerably from roughly $3 billion to $2.8 billion, a 9 percent reduction from the requested amount.

The bill is currently only 1.7 percent over fiscal year 2005. This increase barely sustains services. It provides for cost-of-living increases, some inflationary items, and a minimal number of projects to keep our buildings and grounds in reasonably good order.

A further reduction of 1 percent will adversely impact the operation of the legislative branch during the fiscal year ahead.

The amendment would reduce the total bill to a level that is less than 1 percent over current levels.

The reduction will severely impair the ability of the House and legislative branch agencies to provide the full cost-of-living increases for all of our employees.

This is a good bill that has received balanced consideration. It is nice to say we will cut 1 percent across the board, but frankly, that is really not the way to legislate, and because of that, I strongly oppose the gentleman’s amendment.

Mr. Chairman, I yield the balance of my time to the gentleman from Wisconsin (Mr. OBEY), my colleague.

Mr. OBEY. Mr. Chairman, I rise simply to say that while I am opposed to this bill because I think it wastes too much money on the visitors center, I agree that an across-the-board cut is not a responsible way to approach budgeting. If all of this cut came out of the visitors center, I would vote for it in a flash.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today against Mr. Hefley’s amendment to H.R. 2985 the Legislative Branch Appropriations for fiscal year 2006, which would reduce this spending bill by 1 percent. The Hefley amendment is inappropriate at this time when funding needs have already been neglected in this Appropriation. Truly, the Committee addition to insufficiencies to make, but cutting even 1 percent more from this legislation would be a tremendous mistake.

The total funding for this legislation is $2.87 billion which is only 2 percent more than current levels and $270 million (9 percent) less than requested by the various legislative offices and agencies. This bill appropriates $1.1 billion for operations of the House of Representatives which is only $13 million (1 percent) more than current funding and $35 million (3 percent) less than requested. It is unfortunate that these Appropriations are so close. When the cost of operating the House of Representatives is in fact getting higher.

These costs are becoming higher because the needs of our constituencies are becoming greater. If the Hefley amendment is to pass it will be our constituents who suffer. Regardless of any possible cuts, Congress will continue to function properly and we will serve our constituents proudly, but these cuts are in our funding undermine our efforts.

In addition to insufficient funding to the House of Representatives, the greatest reason to reject the Hefley amendment can be found in the legislative branch agencies that directly or indirectly support Congressional operations. This funding is only $32.6 million (2 percent) more than current levels, $234.8 million (12 percent) less than requested. Funding for the Capitol Police, who are entrusted with protecting the Capitol Complex and all those who work and visit here actually received $2 million (1 percent) less than in FY 2005, and $50.4 million (17 percent) less than requested in this Appropriation. The Architect of the Capitol who have worked so hard in the last year to make the Capitol Complex more accessible to visitors received only $571.3 million, $16.7 million (6 percent) more than current funding and $122.6 million (28 percent) less than requested. The Government Printing Office (GPO) which serves the demanding printing needs of hundreds of legislators every year received only $351.4 million, $16.7 million (6 percent) more than current funding, $50.4 million (17 percent) less than requested in this Appropriation. The Library of Congress received $543 million, about equal to the FY 2005 level but $47.8 million (8 percent) less than requested. It is sad to see
Mr. LEWIS of California, Mr. Chairman, I yield back the balance of my time.

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

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

Mr. HEFLEY. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) will be postponed.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

Mr. HEFLEY offered by Mr. BIED.

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Washington (Mr. BAIRD) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

Mr. FORD and Mr. HOLDEN changed their vote from "aye" to "no." Messrs. SANDERS, AL GREEN of Texas and MCDERMOTT and Ms. KAP-TUR changed their vote from "no" to "aye." The amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 2 OFFERED BY MRS. JO ANN DAVIS OF VIRGINIA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Virginia (Mrs. JO ANN DAVIS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote was ordered. A recorded vote was ordered.

The vote was taken by electronic device and there were—aye 185, noes 226, not voting 22, as follows:

[Roll No. 300]

---

Mr. FORD and Mr. HOLDEN changed their vote from "aye" to "no." Messrs. SANDERS, AL GREEN of Texas and MCDERMOTT and Ms. KAP-TUR changed their vote from "no" to "aye." The amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 2 OFFERED BY MRS. JO ANN DAVIS OF VIRGINIA

H4959

---

[The table contains a list of roll call votes with names of representatives.]
Mr. FORD and Ms. CARSON changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that 2 minutes remain in this vote.

Mr. FORD and Ms. CARSON changed their vote from “aye” to “no.”

MESSRS. SPRATT, PICKERING, FRANKS OF ARIZONA AND GORDON changed their vote from “no” to “aye.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 5 OFFERED BY MR. HEFLEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment. The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.
The bill was ordered to be engrossed and read a third time, and then the third time.

**MOTION TO RECOMMIT OFFERED BY MR. OBEY**

Mr. OBEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. The motion to recommit is agreed to, by unanimous consent.

The SPEAKER pro tempore. The motion to recommit is agreed to.

The House of Representatives, Thursday, June 22, 2005.

The Speaker pro tempore, Mr. WEXLER, presiding.

[The roll is called...]

The Speaker pro tempore. Pursuant to the call of the House...
CONGRESSIONAL RECORD — HOUSE
June 22, 2005

[BLANK PAGE]

Mr. PALLONE changed his vote from “yea” to “nay.”

So the bill was passed.

The vote result was announced as follows.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

[ROLL NO. 303]

YEAS—330

[BLANK PAGE]
EXCHANGE OF SPECIAL ORDER—TIME

Mr. McDERMOTT. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Texas (Mr. REYES.)

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

There was no objection.

LOGICAL WITHDRAWAL FROM IRAQ

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. McDERMOTT) is recognized for 5 minutes.

Mr. McDERMOTT. Mr. Speaker, I rise today to talk about an issue which is beginning to be much more of an issue in this Congress, and certainly in this country, and that is the question of how long are we going to stay in Iraq?

There are those who think that we should stay endlessly, apparently. The military is preparing for a couple of years at least, if not more. Last week a couple of oil workers from Iraq came through talking to various Members of Congress. These 55-year-old Iraqi oil workers said there will be no peace in Iraq until the occupation is over. Until you leave, the present conditions will continue.

Now, there are a lot of people who still believe the President. Remember, this is the President that told us that there were weapons of mass destruction and there were connections to al Qaeda, and that now they have the White House saying we are in the last throes of the insurgency.

But when you talk to Iraqis who live on the ground, work on the ground, work in the oil industry, they said we are at 1½ billion barrels a day, and we will never get any more than that until we are able to get some peace and calm and some investments to come in and change the oil industry.

Now, you say, well, that is just two oil workers. Well, I remember that number, 82 Iraqi Parliamentarians have sent a letter to their Speaker of the House demanding that the U.S. withdraw its troops from Iraq. That is 82.

Those are not wild-eyed people in the United States, de-calling for the withdrawal of American troops. This is 82 members of the Iraqi Parliament who were elected. I mean, we say they have a democracy over there. Some of these leaders come from the United Iraqi Alliance, which is a collection or a coalition of religious Shiite parties that has a majority of the 275 seats.

So, again, we are not talking about a splinter group somewhere, we are talking about people in the main governing group in the Iraqi Parliament are calling for an end. Their demand is still, although not a majority, it is a large majority, and it has not been endorsed by the Prime Minister yet.

But the demand will certainly come from an ever greater number of Parliamentarians as time goes on. At the moment, most Iraqi politicians already wish the United States would leave, but are afraid that the guerilla movement will kill them without U.S. protection.

This letter has not been released in the United States. You have to find it somewhere on the Web. Now, in this House we have a group called Out of Iraq Caucus.

And the question is, what are we up to? What do we really want to do? Well, I think you ought to have a plan. And there are certainly a lot of plans that have been laid out. One of them is laid out by Gerald Helm an, who was a former Ambassador of the United States who says, first of all, the United States should have a phased withdrawal to be completed in 1 year.

1915

Why is that? Because you do not want to create chaos. If we walked away tomorrow, we would have chaos.

The second thing he says, by pre-arrangement before that withdrawal occurs, the Iraq and Arab League, or collection of Arab states, would ask the United Nations Security Council to establish a transition political, economic development, and peace enforcement authority to assist the Iraqi Government in its recovery efforts. And finally, the US would offer logistical support. We are really the only ones capable of doing it, and the financial support as well as the military units on a transitional basis under U.N. command, under U.N. command. I think we can handle a Brit or a German or somebody being in command.

The United States, Japan and the other oil Arabs can contribute money and NATO could provide much of the staff, planning and headquarters personnel, but competent boots on the ground will be hard to find. They are going to have to use some of our people. We all watched the United Nations do this very same thing in Cambodia. Most people were unaware of it, but that is exactly the method.

We have to begin the process of withdrawal from Iraq. There is no way we are going to win it all and have peace and harmony as long as we are viewed as conquerors and occupiers, and 82 members of the Iraqi parliament have asked that. Must be only the beginning.

HELMAN ON UN OPTION

Ambassador Gerald B. Helm an writes: "...On replacing the US with the UN in Iraq[,] it seems clear that US public opinion is ready for a real exit strategy. But I suspect that the Administration has not yet shown it its hope of turning Iraq into a long-term strategic base and asset allowing considerable control of the region and the oil that goes with it. And to turn it all over to the UN would be humiliating. Much would depend upon how the process is rolled-out. Here’s an example:"...

The US would announce a phased withdrawal, to be completed one year hence; (by prearrangement) Iraq and the Arab League (or a collection of Arab states) would ask the UNSC to establish a transition political, economic development and peace enforcement authority to assist the Iraqi Government in its recovery efforts; and the US would offer logistical (we’re the only one capable) and financial support, as well as military unilateral basis, under UN command (we might be able to swallow the humiliation if the commander is a Brit or German). The UK, Japan, the oil Arabs and others can contribute lots of money. NATO could provide much of the staff, planning and headquarters personnel. But competent boots on the ground might be harder to come by.

I agree that the Cambodia operation (and, more recently, East Timor) could serve as a model. While Cambodia was a mixed success, it was nevertheless a success.

THE UNITED NATIONS STRATEGY AS A RESOLUTION OF THE IRAQ CRISIS

The United States has failed militarily in Iraq, and the situation there is deteriorating rapidly. A protracted guerilla war is increasingly becoming an unconventional civil war. The US can mount operations against infiltrators on the Syrian border, but cannot permanently close off those borders. The US can prevent set piece battles from being fought by militias. It cannot prevent night raids. Seven bodies showed up Sunday in East Baghdad, executed. They were almost certainly victims of this shadowy sectarian war.

Eighty-two Iraqi parliamentarians have sent a letter to the speaker of the house demanding that the United States withdraw its troops from Iraq. Some of the leaders of this movement come from the United Iraqi Alliance, the coalition of religious Shiite parties that has a majority of the 275 seats. Their demand is that the US eventually have to go to the United Nations and request that it send a peace-enforcing mission to Iraq, as the US military withdraws. The relevant model is the UNTEAC experience in Cambodia, which, while it had substantial flaws, was also a relative success. In the long term, perhaps 5-10 years, the Iraqi government would develop into something that could keep order. That development is far enough off, however, that there is likely to be a significant gap between the time the US leaves and the time the Iraqis can fend for themselves.

A US withdrawal without a United Nations replacement would risk throwing Iraq into civil war. Such a move would very likely not remain restricted in its effects only to Iraqi soil. A civil war in Iraq would certainly lead to even more sabotage on oil production, reducing Iraq’s production from the current 1.5 million barrels a day to virtually nothing. If a civil war broke out that drew in Iran, the unrest could spread to Iran’s oil-rich province, which has a substantial Arab population, and which has seen political violence in recent
months. The instability could also spread to Saudi Arabia’s Eastern Province, which is traditionally Shi'ite but dominated since 1931 by the anti-Shiite Wahhabis.

If the pre-Kuwaiti production of Iraq, Iran and Saudi Arabia was put offline by a vast regional conflict that involved substantial terrorism and sabotage, the price of oil would at least double. Of the 16 million barrels of petroleum are typically produced daily in the world. Much of that is consumed by the producing country. What is special about the country of the Gulf is that they have relatively small populations and little industry, and therefore export a great deal of their petroleum. In producing 9 million barrels a day, and can do 11 in a pinch. Iran produces 4 million. Iraq could produce 3 million on a good day without sabotage. If nearly 20 percent of the world’s petroleum supply became unavailable, and given ever increasing demand in China and India and political instability in Venezuela and Nigeria, the price could rise so high that it would throw the world into a Second Great Depression.

The old dream of James Schlesinger and Henry Kissinger that the United States could control the Middle East simply because it is the world’s sole superpower and secure the Saudi oil fields has been shown to be a dangerous fantasy. Petroleum is produced in a human security environment. The political structures are built by a substantial portion of the population to be illegitimate, they can and will simply sabotage the petroleum pipelines and refineries.

The US cannot risk this scenario, which while a little unlikely, is entirely possible as a consequence of its withdrawal from an Iraq that is far less controlled than billed.

The United Nations force put in Iraq should be a peace-enforcing, not a peacekeeping, force. Its rules of engagement should allow robust military operations to prevent the parties from massacring one another, and UN troops should always be permitted to defend themselves resolutely if attacked. Further, the United States should lend the United Nations forces close air support upon their request.

Moreover, the UN must at the same time enter into serious negotiations with the warring parties (Kurds, Shiites, Sunni Arabs) to seek a political settlement.

Satish Nambiar writes: “It is a matter of record that it is not possible to have successful peacekeeping without a determined and successful political settlement. Peacekeeping and peacebuilding activities are not self-sustaining. They have to be nurtured by a process of negotiations, or peacemaking, during which the parties to the conflict are made to redefine their interests and develop a commitment to a political settlement. The fact that most successful missions in the last decade, or even the partially successful ones—Namibia, El Salvador, Cambodia and Mozambique—were the result of years of negotiations, in which many third-party intercessors, including the USA, participated, is not an accident. Although the wars in these areas went on for a long time, they illustrate that it is better to take the time to get the details of a settlement right, than to initiate a peacekeeping process that is flawed in its concept and content, as so glaringly made apparent in the inadequately planned, and prepared United Nations deployment in the former Yugoslavia and Somalia.

It takes firm political resolve and unified concerted action from outside actors to make the conflict itself the enemy, and push towards a negotiated settlement.”

All Iraqis would see the United Nations as having no legitimacy than the Iraqi Sunnis or Shiites. The UN would be much more likely to be able to negotiate a settlement among

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

APOLOGIES NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, it is one of the first lessons we are taught as children, how and why to apologize for doing something wrong.

Our capacity for saying I am sorry is part of what makes us a functioning and civilized society. My parents always said I should apologize for hurting someone. But they never insisted that I apologize simply for pointing out when someone was doing something good or bad.

Yet, here in Washington all of the sudden every time a Democrat uses strong rhetoric to condemn the policies of the Bush administration, there is a relentless pressure from the Republicans for an apology.

Maybe my memory is failing me, but I just do not recall any apologies when opponents of the Iraq war had their patriotism questioned. Now with a new poll showing that 63 percent of the American people want the troops to come home in the next 12 months, where the right wing message machine owes an apology to nearly two out of three Americans. The fact is their apology demands on Democratic dissenters is just a convenient way to change the subject, to avoid any kind of discussion about the merits of the Iraq war and the way it has been managed.

And why do they want to avoid that discussion? Because the American people have completely lost confidence in the administration’s Iraq policy. Instead of apologizing for what has gone wrong, it is time we started demanding apologies for deeds. Where, for example, is the apology for the deaths of more than 1,700 Americans? Not only is there no apology; Secretary Rumsfeld could not even bring himself to sign condolences letters to their families.

Where is the apology for sending young men and women to war without the proper protective armor on their bodies and their vehicles? Where is the
apology for pinching pennies on veterans health benefits when these brave soldiers return home? Where is the apology for the immoral doctrine of this preemptive war? And where is the apology for the gross deceptions used to justify this misuse of mass destruction, for the cooked intelligence, for the phony al Qaeda-Saddam link?

Where is the apology for wasting more than $200 billion of taxpayer money on this mistake? Where is the apology for the poor leadership that led to torture and prisoner abuse at Abu Ghraib and Guantanamo? Where is the apology for committing our troops and our Nation to this mission without a post-war plan to secure the peace? And where is the apology for the arrogance that squandered international good will toward America and damaged our relationships with our closest allies?

There is something wrong with our moral compass if we have to apologize for speaking bluntly. But our leaders can commit the biggest foreign policy blunder since Vietnam and get away without apology or accountability.

An apology would not be enough for everything they have done. An apology, after all, is just more words. It is time for action. It is time for accountability. It is time for a tangible admission that the Iraq war was immorally conceived and has been incompetently managed. It is clearly time to end this war and bring our troops home.

CHUCK HAGEL, the senior Senator from Wyoming, a decorated Vietnam hero and a member of the President’s party, recently had this to say about the war, “Things aren’t getting better. They are getting worse. The White House is completely disconnected from reality. It’s like they’re just making it up as they go along. The reality is that we are losing Iraq.”

I ask you, are they going to ask CHUCK HAGEL for an apology? After all, he has done the worst possible thing in the eyes of the administration: he has told the truth.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

(Mr. PAUL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Texas (Mr. PAUL).

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

WOMEN AND SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I welcome this opportunity to speak about women and Social Security reform.

President Bush is exploring different ways to save Social Security for future generations. And as the mother of two young daughters, I realize that we must tackle this inevitable reform of Social Security now and not defer the debate to future generations. I applaud the President for his strong leadership and his vision.

Women have a particularly large stake in Social Security reform; and I thank my colleague, the gentlewoman from Florida (Ms. GINNY BROWN-WATTE), for her leadership on this issue, and we will hear from her later tonight. Social Security may be actually reflecting a bygone America where most American women worked at home and received a spousal benefit based on their husband’s benefits.

Today, according to the Government Accountability Office, nearly 60 percent of American women participate in the labor force which helps make America the most productive economy in the world. Not only are more women working than when Social Security was formulated; they are working in ways that the framers of this program could not have imagined. The GAO has also found that women are more likely to work part time and work intermittently as they may take time out of the labor force to rear children or care for their elderly parents.

However, Social Security as currently formulated penalizes many of these working women. For example, a homemaker can receive a higher spousal benefit than a woman working in a low-wage job receives based upon her own earnings. In some cases, the household benefit from Social Security is no greater than if these women had never worked at all.

The fact is that under the current system, Social Security earnings cannot be transferred or shifted should a woman unfortunately become a widow. Sadly, this occurs all too often and a woman’s total household income can be greatly reduced if she was receiving benefits based on the earnings while her husband was alive, compared to a widow whose benefits are based solely on her husband’s. So Social Security should not penalize women in their old age because they decided to join the workforce rather than stay at home.

Social Security must be reformed to better protect women and the invaluable roles that they play in our economy and in our society. We should reward those women who try to balance work in the home and work in the labor force and not ask them to choose one or the other. By reforming Social Security to recognize the work women do, we can ensure that women receive all of the benefits that they earn in the workplace as well as being entitled to those that their husbands have earned once they have passed on. Forty percent of elderly women in America rely on Social Security for 90 percent of their income.

I join President Bush in assuring elderly women that Social Security reform will not impact their benefits by one penny. At the same time, the reforms that President Bush has envisioned will safeguard Social Security for those women’s grandchildren and for all of our children and grandchildren. If we do not reform it, Social Security will be a pay-as-you-go system which is doomed to fail.

In the 1940s, as we have heard many times, when Social Security was designed, there were 41 workers paying into the system for every person who was receiving benefits. Today there are only about three workers for every one person receiving benefits. By the year 2042 when workers who are currently in the workforce are retiring, the Social Security system will be bankrupt. If we do not reform Social Security, those of us who are drawing or who will draw benefits will be doing so at the expense of our children’s future.

Without reform, we would also continue to penalize our daughters and our grandchildren for mixing a career in the workforce with a dedication to family life. Also, 2.3 million Hispanics receive Social Security benefits and 41 percent, a majority of them women, depend on it as their full source of income.

As the first Hispanic woman elected to Congress, I am committed to ensuring that all women are protected and all are afforded every opportunity. Remember, we are talking about American women here, not Republican women, not Democrat women, but American women.

Social Security reform is too important an issue to be left to partisan politics.

SAVE SOCIAL SECURITY FIRST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. EMANUEL) is recognized for 5 minutes.

Mr. EMANUEL. Mr. Speaker, today some Members of the Republican Party, House and Senate, unveiled a proposal to use a surplus in the Social Security trust fund for private accounts. And they said that in their words, we are going to keep the Social Security surplus Social.

Well, that is interesting. For the last 3 years my colleagues on the other side said there was never ever a surplus in Social Security; there were no accounts in Social Security. In fact, just to knock out the last month ago, the President of the United States went to West Virginia, unveiled an old filing cabinet, if I am using his words correctly, and said, look at it. That is the Social Security surplus. As I quote him, and this is the President, “There is no Social Security trust fund. Just IOUs stacked in a filing cabinet.”
All of the sudden now they want to say they have discovered there is a surplus in Social Security. Well, to tell you the truth, we have always known there was a surplus in Social Security. In fact, the Republican Party over the last 5 years has taken $650 billion out of the Social Security trust fund. And, for the last 5 years you have taken out of that Social Security account plus Social Security. They are going to carry the burden of the cost of Social Security; 80 percent of all small business employees; direct deposit of tax refunds into the trust fund.

Democrats have said for well over 70 years, and as recently as 1996, save Social Security first. Do not go waste it on tax cuts for the wealthy. Do not waste that money. It is dedicated. It has been paid with the commitment for Social Security; and so now today under a new discovery, Republicans have realized that there is a surplus in Social Security. They are going to dedicate it, they say, to Social Security. But the problem is the President of the United States was in West Virginia just a short time ago, less than 2 months ago and said there is no surplus in Social Security.

I am sure within short order they will all collectively get their stories straight and figure out whether there is or is not a surplus. But whatever you do, do me one favor, just pay back the $650 billion you have taken out of that Social Security trust fund that good, hard-working Americans who rely on it just like my colleague, the gentleman from Michigan (Mr. STUPAK) is recognized for 5 minutes.

Forty percent of the households in America have no other retirement plan plus Social Security; 80 percent of small business employees in this country have no other retirement account plus Social Security. They rely on the checks they pay and the money they pay every month or bi-monthly into the trust fund.

So as you become recent believers that there is a surplus, you have been practicing some of the great abscending of resources; $650 billion over the last 5 years you have taken out of that account.

I did not see anything about that in today’s paper as some were touting that in their plan, but I am sure as they come to figure out their math that they will realize they owe some money back before they talk about integrity of the Social Security surplus.

Clearly, the American people understand that. So before we try to privatize Social Security or do anything fundamentally to alter the Social Security trust fund, the first thing we should do is guarantee that Social Security is there for future generations. To date, the President has yet to make a proposal, and the half-baked plan being out touted by the House and Senate today fundamentally misses the same mark.

The goal here is to strengthen Social Security. The head of the General Accountability Office, when testifying in front of the Committee on Ways and Means, said the President’s plan on privatization would actually exacerbate the issue of Social Security’s solvency. The goal is not to change Social Security. The goal is not to exacerbate its solvency. The goal is to strengthen Social Security.

That is why the first order of business is return the $650 billion. Both the President’s past ideas and the plans talked about today would exacerbate the problem of Social Security solvency.

What we should deal with is the shortage of savings in this country, by the fact that Americans are stretched thin, they do not have the capability to save for their retirement because they are meeting their housing needs, their educational needs, their health care needs that are becoming more and more stressful on the paycheck, to get them from the 1st of the month to the 31st of the month.

There are ideas that exist out there. As I told you, 80 percent of all small business employees have no plan outside of Social Security. Social Security is their retirement plan. In 40 percent of all households in America, Social Security is the only retirement they can rely on, and I will tell you this as a Member of Congress, who represents people in the airline industry, specifically United Airlines, after what happened to their retirement plans that they saved for, one thing I can tell you about this is the United Airlines employees are happy Social Security is there. They like the security that comes with Social Security.

The ideas that we as Democrats have offered, let me run through them quickly. Mr. Speaker, if I can; automatic enrollment in 401(k)s for all Americans; direct deposit of tax refunds into personal savings accounts; a government match for the first $2,000 you save, matching it 50 percent; a universal 401(k) to simplify the 16 different savings plans that exist on the Tax Code.

Mr. Speaker, the American people are not fools. They rejected the President’s privatization of Social Security. They will reject this half-baked plan. To put it simply, people like the security that comes with Social Security.

The SPEAKER pro tempore (Mr. KUHL of New York). Under a previous order of the House, the gentleman from Georgia (Mr. NORWOOD) is recognized for 5 minutes.

Mr. NORWOOD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. Jones) is recognized for 5 minutes.

Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.
In 2005, women are stuck with a Social Security program that is inherently flawed and biased against their needs and concerns for the future.

In 1935, when the program was first enacted, the great-grandmothers of today’s young working women were faced with the challenges and difficulties of the future. Few women actually went to college. Even fewer went to medical school or law school. Most American women, like most of our moms and grandmothers, stayed at home, raised children, and watched their husbands go to the traditional 9-to-5 job. Obviously, that no longer is the case.

In 1935, when Social Security was created, women were not in a position to advocate for their interests in Congress. At that time, only seven women were serving in the U.S. House and just one in the U.S. Senate. Amazingly to today’s generation of women leaders, American women had only had the right to vote for 15 years.

Things have changed and changed for the better. Today we have 69 women Members of the House and 14 women Senators. Unlike in 1935, women as a group have the opportunity to affect the terms of debate over the future of Social Security, over the future of our retirement security.

When we discuss any reform of the Social Security system, we must keep these facts in mind to guarantee that American women have their unique concerns addressed by this Congress. As co-chair of the Women’s Caucus and founder of the Women’s Action Public Affairs team, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), for organizing this important Special Order for this evening.

As co-chair of the Women’s Caucus and founder of the Women’s Action Public Affairs team, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) is a member in this body dedicated to improving the lives of women across the country.

Today, headlines in the newspapers across the country continue to address the issue of Social Security reform as they have for many months now. Here on the Hill, Members on both sides of the aisle continue to debate the nature of this crisis and argue what they think are the greatest problems within the current Social Security system and how they think we should best address the issues.

I do want to address the issue of women and retirement tonight, but first I would like to add a few comments based on our colleagues across the aisle who just gave a 5-minute about the state of Social Security.

He mentioned that in 1998 the Democrats took up the issue of Social Security. I was elected in 1998, and before I was elected in 1998, I was asked to join the Senators and House Members, both Democrats and Republicans, who were going to the White House Conference on Social Security. There were 24 Senators and 24 House Members, and I was included as one of the 24, even though I had not been sworn in.

I was very proud to go, too, and we came down to Washington late in November. We were going to solve Social Security that year, and by the next March we would have a bill to take to the House floor and to the Senate floor and we would do it early because this would be the first of the 106th Congress and we would have 3 all of the election talks started, and we would be working together. I do think that Social Security reform needs to be bipartisan, and we are going to have to reach that in this debate at some time before we can find really meaningful reform.

What happened is we came down for 3 days to this great conference. We had speakers the first days and learned a lot about Social Security and reinforced what we had believed. Then the third day, we met with President Clinton. We sat over at Blair House, and we talked about how we were going to do this bill, who was going to do this bill, who would be the one to put it on the table.

The President said, I will do the bill and I will have it for you the end of December. There was a pause in my mind, because this is the one time that as an elected official you really have time to speak for your family, between Christmas and New Year’s. I thought how am I going to go home and tell my family that I will have to be gone at that time, when we usually have taken our vacation, but for the good of the country, I will do this.

So I went home and then came back to Washington for orientation meetings as a freshman, and I asked one of my colleagues who I had worked with during this 3-day conference, Does the President come re-elect? I have not received a time yet that we will be coming back. My colleague looked at me and said, Judy, are you naive? There is not going to be any bill. This has been a great PR campaign but nothing has been done yet. It is very difficult for somebody to come up with a bill, and the President is not working on it.

That was the last I ever heard of the Social Security reform for 1998. We are still working on it, and just a couple of other things.

Since 1935, this has been a pay-as-you-go system, and I always believed when I first started talking about Social Security that there was a little box that had my name on it and it had my benefits when I retired. That is not true. We might talk about a trust fund, but this has been a pay-as-you-go system, and in fact the Federal Government cannot hold money like that in a bank account. So we have to deal with Treasury notes, and that is what we do now. That is what we have done.

I am here this evening because I think if the debate goes further than whether or not we are going to implement personal accounts or raise the retirement age or have a pot of money there that we are going to be able to pay back now, and I think in the heart of debate that people fail to address the current inequities in this system that they are trying to fix. She is for all Americans, and the fact is that women, more than anyone else, continue to draw the short straw when it comes to Social Security benefits.

Right now, too many women who reach their retirement age find themselves widowed or single, relying on their Social Security check for over half of their income. Women live an average of 5½ years longer than men, and consequently, they disproportionately rely on Social Security for their entire retirement income.

I can remember going door to door and going to the house of a woman who must have been about 95 at the time. She had been living on her Social Security check, which really did not give her enough even the most basic things about to pay her rent and to be able to buy her food and such for a long retirement.

It is great that people are living longer, and this is what we want, but our Social Security system was not set up for that. It was set up at a time when people lived to be age 60 and the retirement age was age 65. It was easy to pay out the benefits then because there were not that many people that received them.

Now women represent 58 percent of all Social Security beneficiaries age 62 and older and approximately 70 percent of beneficiaries 85 and older, and I think these inequities are astounding.

The Social Security laws in the case of divorce are incredibly outdated. When Social Security was first created, few marriages ended in divorce. In fact, most of the women of this generation were nonworking. Fast forward to today, where the number of divorces has more than quadrupled since 1970 and under current Social Security rules must be married for at least 10 years to be entitled to the Social Security benefits of her husband, yet statistics tell us about one-third of all marriages end before 10 years has been reached. This translates into one-third of women who will receive zero Social Security benefits for those years that they were married.

We have all heard experts reference the fact that the number of divorces in our country is expected to continue rising, and almost half of marriages are expected to end in divorce. That is a pretty scary statistic, and we certainly hope that does not happen. But where does that leave women? Unfortunately, it leaves women, again, to bear the brunt of inequality.

We, as women, have fought for equal opportunity in the workforce for many years. Today, women have proudly gone to school and are a strong presence in the workforce. Now more women than ever are doctors, lawyers, CEOs, scientists, engineers and politicians, to name a few.
However, the current Social Security system continues to punish these working women. Our 1930s-style retirement system has led to an astonishing two-thirds of married women who do not receive additional benefits from their Social Security contributions. And when it comes to single-earner couples with identical incomes, the single-earner couple stands to receive the higher benefit.

Let me cite the Smiths and the Joneses. And let us not in any way cut or modify Social Security, a single-parent household, or an individual from the Social Security system regardless of how much money she contributed to the system over the course of her working years. Widow benefits also favor single-earner households over dual-earner households, unnecessarily penalizing a woman who has chosen a life in the workforce and makes less than her spouse.

A widow is eligible for a greater portion of her husband's work benefit or her own, not both. And this translates into a potential cut in household income up to one-half after her husband's death.

So women here tonight stand together to call for changes to the system, changes that will ensure equal treatment for women under the law. The status quo of Social Security in this Nation today is unacceptable.

But in addition to all of the overall reforms, we need to encourage women from a young age to establish financial security and plan for retirement. That is one of the reasons we have formed the Financial and Economic Literacy Caucus to promote financial and economic education. Women should be afforded the opportunities to learn the skills necessary to guide their financial futures and successfully manage their finances.

Surveys show that girls are less likely than boys to consider themselves very knowledgeable or confident about money, and this translates into the United States, where we live under the idea that all men are created equal; yet within the Social Security system, all men and women are not treated as equal. We need to work together to establish a system that creates equity among all Americans, individuals, men, women, divorced or widow; and we should not wait to do it until 2041 when we are faced with a largely depleted Social Security. So let us prepare for the future now. I urge all of my colleagues on both sides of the aisle to work together to help American women achieve financial certainty and equality. We must support the changes to the Social Security system to bring it into a new millennium so women, and all Americans, are not left financially unequipped, but are financially secure. I thank the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) for leading this Special Order tonight.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, the gentlewoman from Illinois (Mrs. BIGGERT) made some excellent points about the need to ensure that women are better protected in any Social Security package that comes before us. I commend the gentlewoman for taking the lead in the financial literacy area. I know many Members have joined the gentlewoman in that effort. And the more we can educate people, particularly women, the better chance they are of having a nest egg when they retire.

Mr. Speaker, I yield to the gentlewoman from Virginia (Mrs. DRAKE), and I look forward to having the gentlewoman’s words.

Each of us brings a different view from their States. I have the highest number of Social Security recipients of any Member of Congress, and it is always good to hear how women in their districts are affected by any changes, by the need for changes in Social Security.

Mr. Speaker, I yield to the gentlewoman from Virginia (Mrs. DRAKE). Mrs. DRAKE. Mr. Speaker, I thank the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) and thank her for her leadership in the House of Representatives and especially on the issue of Social Security.

Mr. Speaker, I rise today to speak on an issue that affects millions of women in America. As a woman, a former business owner, now a near senior and soon-to-be beneficiary of the Social Security program, it is important to me that we have this discussion and that we take the steps necessary to protect women who are penalized under a system meant to protect them.

I know all too well the harsh realities of the current Social Security system. This is not to disparage the concept of Social Security or to minimize its importance to millions of Americans. To the contrary, it is because Social Security is such an important program to so many that we need to have this debate. Some claim we seek to dismantle the program entirely when, in fact, the reverse is true. We seek to strengthen it for future generations.

The Social Security system is no longer a retirement system for many women. This is unacceptable. We need to address this issue of Social Security by allowing people to receive a Social Security benefit or her own, not both of those incomes. Social Security depends on the contributions of the owners of small businesses. Women own 9.1 million businesses in this country, employ 27 million people, and have a $3.6 trillion impact on our economy.

But Social Security is a matching system which means that each of the millions of employers in this Nation pays into your Social Security what you pay into it. You pay 6.2 percent of your paycheck into the program, and your employer matches that 6.2 percent. Women are strong, independent women. I was so proud to be among them for 20- plus years before coming to Congress. But this struggle of paying higher and higher Social Security taxes each year. That is why we cannot allow the current Social Security system to stifle their entrepreneurship. We must act now to protect the tax hikes or benefit cuts that will be inevitable if we do not.

Mr. Speaker, I support preserving Social Security today, and I am pleased and costs are skyrocketing. Furthermore, I have a hard time even calling Social Security “insurance” because whether or not it is there for you and your loved ones seems so arbitrary today. There are so many contingencies and what-ifs. For example, here is one scenario: Mrs. Smith, an only child, is 58 years old and has no children. She has no Social Security and no private insurance. She may be eligible for Medicare at 65, but she cannot afford the premium.

Mr. Speaker, I offer through my amendment, which provides a two-thirds Social Security benefit or her own, not both of those incomes. The Social Security system continues to punish the Nation today. There are so many contingencies and what-ifs. For example, here is one scenario: Mrs. Smith, an only child, is 58 years old and has no children. She has no Social Security and no private insurance. She may be eligible for Medicare at 65, but she cannot afford the premium.
that my colleagues have outlined a solid plan that we can begin debating openly before the American people. I would like to thank the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) for this opportunity to address the people and thank her for her service to our country.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I appreciate the fact that the gentlewoman brought up the fact that a Realtor with an assistant is not only paying the full 12.4 percent, but also paying half of any clerical assistants or any Realtor assistants he or she may have. We often forget the small business person, and I appreciate the gentlewoman bringing that up.

Now joining us, we have the gentle-woman from the great State of Ten-

nessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Speaker, I thank the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), and I thank her for her leadership on this issue. She mentioned that she has been one of the largest Social Security recipient populations in this country. She is passionate about being certain that Social Security is preserved, and I appreciate the attention that she puts on this issue every single day. She has often been the champion of this, and her leadership means so much to so many of us, and I think to women in general.

It is so interesting that tonight we have had a female attorney, a female Realtor, a female collegue, and I am a small business owner. We all come from different walks of life; and I would venture to say, as we have our town hall meetings, that is the same mix we are seeing, women from all walks of life who are looking at how their family meets their financial goals and looking at their retirement security. They are serious about this. They want to be certain that they are planning ahead. And they know that, as they look at what that template life is going to be for their retirement, Social Security is an important part of that. So they are paying attention to what we do and what we do not do.

We know that the status quo is not acceptable for Social Security because we know what that means. We all have looked at the charts and at the figures, and we know we have to be aggressive and hard working to be certain that Social Security is stabilized, that solvency is guaranteed.

We can get right now there are three workers for every retiree, and soon that is going to change. We know by the time we get to 2018, we are going to stop running that surplus each year and all of those 100 percent that have been collected are going to come due. That requires action now and action on our part.

As the gentlewoman from Virginia mentioned, she was a Realtor and she looked at Social Security as she wrote that check for 12.4 percent of her in-

dividual share of 6.2 percent and the em-

ployer’s share of 6.2 percent. That means all of our small businesses, and female-owned small businesses are the fastest growing sector in the economy. Those women are writing that check for 12.4 percent. And then they come to the meetings, the town hall meetings that we hold, and they say if you do not do something soon, we are going to find out that we are paying this 12.4 percent, and it is our money. We have earned that money. We want to have our name on that money, not the gov-

ernment; and we know we are never going to see it in our retirement checks.

Women are many times not only the small business owner, they are the fi-

nancial manager for their family and they are looking at that pay stub every month and they are looking at the amount that government is taking out in taxes, in Social Security, and they are expecting results and they are ex-

pecting action to be certain that there are more options for them to choose from in their retirement security.

As I said earlier, Social Security is a piece of that security. They are also looking at long-term care. They are looking at pension plans and the solvency of those pension plans. They are looking at 401(k)s, and they want to be certain that the options are there. At the same time, they are wanting to be certain that it is not a burden to their children and grandchildren, not individually, not as we are looking at Social Secu-

rity stabilization, not as we are look-

ing at private accounts. They want to be certain that we are thoughtful, that we have generational fairness on the table as a component of that discussion.

Mr. Speaker, in the last few days, we have heard quite a bit of rhetoric about the Social Security debate. I would ap-

plaud some of our Members both on the Senate side and here on the House side that are components of this debate, the solvency issue and the personal accounts issue. I applaud the fact that they are looking to be certain that we are going to have individuals who get their money, that they get back what they have put into this sys-


tem, and that they can depend on get-

ting those benefits.

I think it is appropriate to know that we are really tuned toward being cer-

tain that Social Security meets its ob-

jectives. Now today’s seniors and today’s near seniors but for Amer-

ican workers like my children who are in their early twenties who are looking at Social Security, they are paying into that system, and being certain that Social Security is there to meet its obligation to them.

This is an issue that affects all Americans. It is an issue that affects families. It is an issue that we are ap-

propriately focusing on to find solu-

tions to this Social Security retirement security for all Americans.

Mr. Speaker, I thank the gentle-

woman from Florida for her leadership on the issue and for organizing our time here on the floor tonight.

Ms. GINNY BROWN-WAITE of Flor-

ida. Mr. Speaker, I thank the gentle-

woman from Tennesse for coming down this evening to share her views with the Members of Congress, because she certainly brings a very unique perspective.

This brings me to the discussion of how women are treated under the cur-

rent system. Under the current pay-as-

you-go Social Security system, if one person is actually guaranteed benefits. Yes, you heard me right. Not one person is guaranteed access to the money that they contributed to the program over their working life. You might ask why, and it is actually because the United States Supreme Court has ruled that Social Security is not a guaran-

teed benefit and can be changed at any time by an act of Congress.

As you can well imagine, this ruling disproportionately affects women, es-

pecially those women not in the workforce and who rely on their spouse’s income and savings for their retirement. If a woman did not work and have the opportunity to save and invest on her own throughout her life-
time, the retirement security of her family and Social Security for her re-

tirement years.

In fact, Social Security is the only source of income nationwide for 29 per-

cent of unmarried elderly women. That number is even higher in my congres-
sional district, the Fifth Congressional District in Florida, about 34 percent of the Social Security recipients are unmarried, elderly women. And that is their only source of retirement income. Social Security should certainly be there for elderly women during their golden years. It should not be taken away by the gov-

ernment inaction of a stubborn and hardheaded minority.

As we have heard from the previous speakers who have been here, women deserve better from Social Security than what we are promised under the program in place today. In fact, for many women who work today, they are taxed their entire life without the pos-

sibility of seeing any of their hard-

earned tax dollars returned to them.

How, you ask? Well, in many families throughout the Union, the hus-

band and wife work outside the home, with the husband being most of the time the primary breadwinner. If the woman is a widow, once she reaches retirement, she will receive the greater of either her husband’s benefit or hers own, but not both. In some cases, the loss in income can be as much as a third.

Let me just demonstrate that for you on the chart next to me of two fam-

ilies. We have two families here. We have the Smiths and the Greens. The Smiths happen to be a sin-

gle-earner couple. Mr. Smith earns $3,000 a month, and Mrs. Smith is a
stay-at-home mom and earns nothing. The total Smith income per month is $3,000. When it comes time for retirement, Mr. Smith's monthly benefit is $1,300 a month. Mrs. Smith's monthly benefit is $650. The Smith's total benefit is $1,950. The Green's monthly benefit is $1,000; Mrs. Green's monthly benefit is $650. The Greens' total monthly retirement benefits are $1,650.

But take these same couples, the Smiths and the Greens, to make matters worse, under our current system when one spouse dies, the remaining spouse receives 100 percent of the larger earner's benefit. So the survivor benefit is in the Smiths' case, her monthly benefit is $1,300. In Mrs. Green's case, her monthly benefit is $1,000. Because Mrs. Green worked outside the home, she is penalized by Social Security upon the death of her husband. Mrs. Green will receive $300 less per month than Mrs. Smith just for working.

It all began, actually, during World War II and Rosie the Riveter. You saw women out in the workplace and women continued to work over time. As you can imagine for a woman whose family relied on two Social Security checks before her husband's death, this can be a harsh financial burden. More importantly, though, if the husband dies and she chooses to receive her husband's Social Security benefits instead of her own, that means she will never receive the benefits of her own taxes paid over her lifetime of work.

While women certainly have made great strides toward pay parity in the past 30 years, there is still a gap in earnings between men and women in equivalent professions. Naturally, this pay inequity will mean that millions of women are forfeiting their benefits that they have paid for and deserve. More and more women are also entering the workplace. In 1950, just about 30 percent of women over the age of 20 worked either full-time or part-time. Today, that number is 60 percent. The more full-time women in the American workforce, the harsher the treatment when it comes to their retirement years.

Despite dramatic and positive changes in the workplace, women on average still receive less income, have less non-Social Security pension coverage, and are more likely to miss productive working time while raising and caring for a family. These statistics highlight the need for equitable treatment of women in the Social Security system.

Times certainly have changed since our Social Security system began, and family life has, also. Marriage in America today faces many challenges. We have seen a dramatic rise in the number of marriages that fail, and today millions of Americans divorce each year. As you can imagine, there are many divorced women who did not work outside of the home and instead chose to raise a family, which, as every woman knows, is a full-time job in and of itself. And of course, during this time the Social Security system was already well-established in the 1930s and 1940s, however, does not recognize the new world in which American women live.

Let me give you a hypothetical example. Phyllis Smith was married in 1965 to Jim Franklin. Jim, a successful real estate agent in the suburbs, was able to bring home enough money so that Phyllis did not have to work outside the home. After some time, Phyllis and Jim had two children and a happy life-style. Unfortunately, as the years passed, the couple grew apart until they divorced in September 2005. In this case, Phyllis is entitled to absolutely none of Jim's Social Security benefits. However, had Phyllis and Jim worked until October, a mere 1-month difference, she would have been entitled to half of his Social Security benefit. Women should ask, how is this fair to Phyllis? She has a fair claim to half of every other marital asset, half of the house, half of his 401(k), but because Social Security has not addressed this problem since its inception, her retirement is anything but secure.

Mr. Speaker, this is a clear example of why Social Security is a bad investment for working women. Thousands of single women who have never married between the ages of 25 and 64 pass away. We all know that heart disease is a major contributing factor along with cancer for early death among women. In 2001, according to the Census Bureau, 77,851 women in this age category died. That was in 1 year alone.

Assuming that at least three-quarters of these women earned income and paid into the Social Security system, the hundreds of millions paid to Social Security by more than 55,000 women are gone. These hardworking women paid millions of dollars in taxes and their heirs will never receive a single dime for all of their years at work. Unlike income taxes, which go to general revenue and are used for building roads, maintaining an army and educating our children, today's Social Security taxes go to today's retirees. Your Social Security taxes do not get earmarked for women. In the gentlewoman from Illinois (Mrs. Burgess) said, she thought that they were in a box somewhere with her name on it, all the money that she put into the Social Security system. It is not that way. You pay in today to pay the benefits of today's seniors.

The women who pass away before they receive Social Security face the fact that this is nothing but a tax from which they or their family will never receive a benefit. On the other end of the spectrum, these women who do live long enough to collect Social Security face the challenge of being disproportionately dependent on the Social Security system for retirement income. Remember I cited facts of the percentage of women in our country who rely only on Social Security, and that issue is much higher particularly in many areas in Florida. Women live an average of 5.5 years longer than men. Non-married women over 65 rely on Social Security for an average of 50 percent of their retirement income. Thirty-eight percent of unmarried women rely on Social Security for 90 percent or more of their retirement income.

These numbers make it clear that if a woman lives long enough to receive her benefits from Social Security that they are very likely to rely on that benefit as a major part of their monthly income. These facts are proof of the urgent need for this Congress to show some leadership necessary in a bipartisan manner to ensure that guarantees Social Security will be there for our future seniors and our current seniors when they need it the most.

In conclusion, Mr. Speaker, this Congress must recognize that the issue of Social Security reform is an important issue, and they must also realize how it affects women and that it is vitally important to the retirement of millions of American families.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3010, SESAME AND RELATED AGENCIES APPROPRIATIONS ACT, 2006

Mrs. CAPITO (during Special Order of Mrs. GINNY BROWN-WAITE of Florida), from the Committee on Rules, submitted a privileged resolution (Rept. No. 109–148) on the resolution (H. Res. 337) providing for consideration of the bill (H.R. 3010) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2006, and for other purposes, which was referred to the House Calendar and ordered to be printed.

CAPTA

The SPEAKER pro tempore (Mr. RECHERT), Under the Speaker's announced policy of allowing the gentleman from Oregon (Mr. BROWN) is recognized for 60 minutes as the designee of the minority leader.

Mr. BROWN of Ohio. Mr. Speaker, I rise tonight to talk about the Central America Free Trade Agreement.

Before doing that, I would just like to make a couple of comments about what was said by my friend from Florida, who was joined by other members of the Republican Party to talk about their privatization plan, their plan to privatize Social Security. I applaud them for coming up with a plan. President Bush has for the last 4 months
June 22, 2005

CONGRESSIONAL RECORD — HOUSE

H4971

gone around at town hall meetings, invitation only, where there is never any disagreement in these meetings, preaching Social Security change, never specifically saying what that change will be. The President, other than saying it is privatization, has not offered any specifics. This President is stuck between a rock and a hard place. But what concerns me both about President Bush’s comments and about the comments from my friends on the other side of the aisle is they really are engaging in what we used to call, when they privatized Medicare, “Mediscare tactics. They are doing the same kind of Social Security scare tactics by saying people are paying taxes into Social Security but may never see this money that they have put in.

And I cannot imagine a more secure system than Social Security. It is a system that has been around for 70 years. It has never missed a payment month after month after month for 70 years. It is reliable. It is predictable. It is always going to be there. It is always there for people of any age, whether they are retirees or whether they are soon to be retirees or whether they are younger than I and simply are not so sure about Social Security, to scare them and say that it will not be there, when it has been there every month for 70 years. It is reprehensible, frankly.

In terms of solutions, the first thing we should do with the Social Security system, as the gentleman from Illinois (Mr. EMANUEL) said earlier tonight, is quit stealing from it. Quit using money from the Social Security fund and giving tax cuts to the wealthiest 1 percent of people in this country. That is how we start to change, to reform, to make even stronger the Social Security system.

Mr. Speaker, I turn my attention to the Central American Free Trade Agreement. In a White House news conference in May, President Bush called on Congress to ratify the Central American Free Trade Agreement this summer. Last year the gentleman from Texas (Mr. DELAY), majority leader, the most powerful Republican in the House, promised that we would vote on CAFTA during the year 2004. Then the gentleman from Texas (Mr. DELAY) promised a vote on CAFTA prior to Memorial Day. Now the gentleman from Texas (Mr. DELAY) is promising a vote again, and this time I think he means it, that we are going to vote on this by July 4th.

Mr. Speaker, many of us, the dozen of us, Republicans and Democrats alike, who have opposed the Central Ameri-
workers in developing countries. Yet with every trade agreement, their promises fall by the wayside. We lose jobs. The standard of living in the developing world continues to stagnate. Our own wages stagnate.

Mr. Speaker, Benjamin Franklin once said that the definition of insanity is doing the same thing over and over and expecting a different result. Mr. Speaker, we are doing the same thing on our trade policy over and over and over again, and for some reason, although not a majority of Congress buys this, but for some reason the President and the largest corporations in the country and some Members of Congress, Republican leadership, believe that the outcome will be better, will be different this time, will actually produce much better results.

Mr. Speaker, when we look at this job loss, again, these are just numbers, but think what 216,000 jobs lost in Ohio or in Akron or in Columbus or in Dayton or in Cleveland or in Lorain or in Youngstown, when a factory closes down and moves to Mexico, which happened to a plant in Elyria just in the last couple of years in my district, when a plant closes down, 800 jobs were lost. The schools suffer, because there are fewer tax dollars for the schools. Police and fire are often laid off because there are not enough tax dollars. But it is what it does to those families, those 800 families, who generally cannot find jobs. The bread winners in those families simply cannot find jobs that pay nearly at the rate of those manufacturing jobs. So these families suffer. The kids suffer. The school district is hurt. All kinds of people lose when these trade agreements pass this Congress and we see this kind of manufacturing job loss.

The administration and Republican leadership have tried every trick in the book to pass this Central American Free Trade Agreement. This year the administration is linking CAFTA to the war on terror, but 10 years of NAFTA has done nothing to improve border security between Mexico and the U.S.; so that argument does not sell.

Then in May, Mr. Speaker, the U.S. Chamber of Commerce flew the six Presidents from Central America and the Dominican Republic around the nation, hoping they might be able to sell CAFTA to the Nation's newspapers, to the public, to the Congress.

They flew to Albuquerque and Los Angeles, to New York and Miami, to Cincinnati in my home State. Again, they failed. In fact, the Costa Rican President announced, after the junket paid for by the Chamber of Commerce, that although the Costa Rican President would not ratify CAFTA unless an independent commission could determine it would not hurt working families in his country.

Now, Mr. Speaker, the administration, finding that nothing else works to convince enough Members of Congress to vote for CAFTA, now the administration has opened the bank. Desperate after failing to gain support for the agreement, CAFTA supporters now are attempting to buy votes with fantastic promises.

I would hold this up, Mr. Speaker. This is called "Trade Wars, Revenge of the Myth, Don't Let the Songs Get You Down." It refers to a study of 92 documented promises made during trade agreements and how many of those promises by the administration to Members of Congress were actually honored. Fewer than 20 percent; 16 of these 90-some promises were actually honored by the administration.

Members are not going to fall for this kind of disingenuous, these kinds of disingenuous actions from the administration. Any trade agreement, can open the bank, the President can promise bridges and highways, the President can promise campaign fund-raisers in districts, the President can make all kinds of promises like textile deals to Members of Congress; but this year, they are not buying it, Mr. Speaker.

Instead of wasting time with toothless side deals, our U.S. trade ambassador should renegotiate a CAFTA that will pass Congress. Republicans and Democrats, business and labor groups, farmers, ranchers, faith-based groups, religious leaders, environmental, human rights, interest groups, American Consulate of Churches, for instance, have opposed CAFTA. All kinds of labor organizations and small businesses, manufacturers in this country have opposed CAFTA. They all say yes to CAFTA, but they want to renegotiate this CAFTA so that we will have one which actually works for American businesses, for American small businesses, for American workers, and for workers in these developing countries.

This CAFTA will not enable Central American workers to buy cars made in Ohio or software developed in Seattle or prime beef in Nebraska. They make these promises. The CAFTA supporters have said, Mr. Speaker, they said that if the United States passes CAFTA, we will increase our exports to these six Latin American countries, they will buy our things. But if we look at this, for instance, salaried average wage is $38,000; Guatemala is $4,000; Honduras, $2,600; and Nicaragua, $2,300. A Nicaraguan worker cannot buy a car made in Ohio, cannot buy produce from Mr. Farr's district in California. A Guatemalan cannot afford to buy software from Seattle. An El Salvadoran worker cannot buy prime beef from Nebraska or textiles or apparel from North Carolina. This is about CAFTA companies moving jobs to Honduras, exploiting cheap labor in Guatemala.

Mr. Speaker, in closing, our goal should be to lift up workers in those countries so that they can buy American goods. When the world's poorest people, Mr. Speaker, can buy American products and not just make them, then we will know that our trade policies are working.

Mr. Speaker, we must renegotiate CAFTA.

I am joined this evening by the gentleman from California (Mr. FARR), a friend of mine, a Member of Congress, who came the same year I did, in 1993, from Northern California; and as I would like to yield some time to him.

Mr. FARR. Mr. Speaker, I thank the gentleman for yielding, and it is a pleasure to be here on the floor with the gentleman. I wanted to be here for the discussion of CAFTA, and I wanted to say that as a former Peace Corps volunteer in South America, this issue of development of these countries is very, very important. I just think that we are putting the cart before the horse with this trade agreement.

We are dealing with the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua; and of those countries, Nicaragua and Honduras are two of the poorest countries in all of Latin America. Bolivia being the poorest. These countries do not have, as the gentleman just pointed out, right now a level of living, a wage income to be able to afford imports of American products, which would probably have leftover a tariff because of the agreement.

What is missing in this is that in order to really help these countries, we need to invest in education, we need to invest in clean water systems, we need to invest in very basic things. Frankly, they are agrarian countries, meaning they grow agricultural products. Do we think they can compete with any of the agriculture products that we grow in the United States? Absolutely not. There is no way in California, as we saw with the corn going into Mexico after NAFTA, that even the smallest of those farms can continue to compete.

So I am very concerned and very opposed to CAFTA; and I think, as the gentleman pointed out, it needs to be renegotiated. These countries need investment in infrastructure. That is why the Peace Corps is involved in these countries. If you talk to the Peace Corps volunteers in these countries, I am sure that the discussions they have had with most of the people have nothing to do with CAFTA, because they are like most parents in the United States.

If anybody is listening to this and watching this debate, they will know that as parents, what you are interested in is education for your kids. There are no schools. There is nothing in CAFTA that promises new schools or new teachers or new water systems. There is just a hope that perhaps, with the Peace Corps and the other countries, that foreign firms will come in and invest. Why would they invest in these countries? Why? Because there is
Mr. BROWN of Ohio. Mr. Speaker, I want to point out the gentleman from California was a Peace Corps volunteer himself in Latin America and is a fluent Spanish speaker; and I think the perspective he brings shows that even though the wages are so much higher in these countries, it is not a question of we just want to shut them off and keep them away and not let them compete and all of that in the world economy. It is a question of development and bringing up their standard of living. These trade agreements in the past have not worked.

Talk to us, if the gentleman will, about from your perspective what development means. The gentleman talked about water systems and all of that. Instead of a CAFTA that does not lift standards up, what kinds of things do you think that the poorest of these countries in Nicaragua and Honduras and Guatemala whose income is about, in some cases, less than one-tenth of ours, one-fifteenth of ours, if the gentleman would.

Mr. FARR. Mr. Speaker, perhaps people do not like to hear this, but a country that has been able to put their priorities in perspective has been Cuba, and the reason Cuba did it is they invested in the infrastructure to keep the rural people in the rural areas so that they could have rural economic development. The countries that we are talking about, people are fleeing the rural areas to move into the cities. That is why there are all these poor barriers that are constructed without water.

I lived in a house that did not have water or sewer or lights. It is a pretty miserable situation because all you are doing is, in our case, we had kids haul water for us; they cannot go to school because they have to haul water. So you really begin to understand that if you are going to try to build up sort of an economic base, you have to stay with the basics; and the basics are, you have to have running water in the house. If you have to go and get it, that means that usually the children have to go get the water and bring it to the house.

And if you do not have any electricity, the things you have to build a fire or buy very expensive petroleum, now kerosene, to start a fire. Most people go out and try to get charcoal and get wood. So you are gathering the basics to make the meal so people can eat. You have to go out, and you certainly cannot afford to go to the supermarket, so you go at it piece by piece. It takes the whole day just to put together food on the table.

So if we want to really help these countries, let us make sure we have the level of development to get those basics and then we are not going to assume that the free market enterprise is going to take care of us; it will trickle down.

The gentleman from Ohio (Mr. BROWN) and I know that it does not even work in the United States, the trickle down theory here. We had a tax cut for the most wealthy people in America with the idea that the wealthiest would take all of that tax cut and they would give it to the poor people. It would start the necessary affordable housing, they would fund the educational stream in America, where the public sector does not meet it. They would fund, essentially, the charity of America. It has not happened. It does not work that way. And CAFTA is not going to solve the Central American problem, and it certainly is not going to solve America's trade balance, which is caused by primarily our trade with China, trade imbalance.

Mr. FARR. And the poor staying poor. Now, Latin America, I was in Honduras and Nicaragua, and I have to say from the government officials that you talk to, they are all excited about CAFTA. There are some that are worried about losing their identity, some politicians in Costa Rica, the most successful of these countries, that are very, very concerned that the CAFTA agreement is going to have this dominant United States, just sort of the big, huge 800-pound gorilla move into these countries and wipe out their local identity, wipe out their local culture and customs and essentially homogenize the poverty with American fast-food chains and American lifestyles.

So where I am concerned about this is that I think if we want to have a win-win, I mean, frankly, the Central American markets, these are small in comparison to the United States. There is not a huge market down there. This is not going to put a big blip on America's foreign trade. This is not like trading with China or trading with Europe. These are some of the smallest countries in the entire; well, they are the smallest countries in the entire hemisphere. And the importance of these countries in a trade agreement for us as sellers is not that big. For us, as a country that is looking to stabilize the hemisphere, it is about infrastructure development to generate drug trade, keep a country poor. If you want to generate people that would be interested in terrorism because life is not getting better for them, so you go to extremes and start going to the small countries and wipe them uneducated, keep them poor.

So if we really want to fight for our priorities and emphasize our priorities in this country, we ought to be ensuring, first of all, that these countries are politically stable and that they have an infrastructure development that has 100 percent access to education, 100 percent access to health care, 100 percent access to a safe place to sleep. And then, when you begin developing an educated middle class, you can begin these more sophisticated trade agreements.

Frankly, I do not see that the trade agreements, there is no responsibility for the outsiders in this agreement, for the countries outside, to do anything to help them. The countries are just going to assume that the free market enterprise is going to take care of us; it will trickle down.

The gentleman from Ohio (Mr. BROWN) and I know that it does not even work in the United States, the trickle down theory here. We had a tax cut for the most wealthy people in America with the idea that the wealthiest would take all of that tax cut and they would give it to the poor people. It would start the necessary affordable housing, they would fund the educational stream in America, where the public sector does not meet it. They would fund, essentially, the charity of America. It has not happened. It does not work that way. And CAFTA is not going to solve the Central American problem, and it certainly is not going to solve America's trade balance, which is caused by primarily our trade with China, trade imbalance.

Mr. BROWN of Ohio. No labor standards.
These associations, they have all come out and said, we support trade agreements, they support all of these trade agreements; but as individuals, that is not the market we are interested in. We do not expect; in fact, if anything, they are going to be very good. These products are not trying to send them into us, because they are going to try to grow strawberries, which is a value-added project.

We grow the most strawberries in the world in my district, we grow the lettuce, we grow the things that you find that are fresh fruits and vegetables, and those countries have climates that they can grow those. So what are they going to do? They are going to compete with our farmers, if they can at all; and frankly I do not think the worry is that they can compete much, at least not on a large scale.

So this issue of the kind of the social conscience of CAFTA is missing the point. We need to invest in America’s best, which is our social responsibility as the leading economic engine, the leading power of the world, to make sure that their living for the rest of the world is being improved by our business ventures, not being taken advantage of.

Mr. BROWN of Ohio. I think there were a couple of things that you said tonight that were very good. There is nothing in this agreement that will raise living standards when you look at the six countries here, and their incomes, especially Nicaragua, Honduras, Guatemala, and El Salvador, all make no more than about one-tenth of what Americans make.

There is nothing in this agreement to bring worker standards up, to bring environmental or food safety standards up. In fact, this agreement protects prescription drugs and the prescription drug companies. So this agreement essentially says that, but does not protect workers standards.

It protects Hollywood films, but does not protect the environment and food safety. And when you talk about the size of these economies not buying very much from the United States, the size of these five Central American countries, the economic output is about the equivalent of Columbus, Ohio or Memphis, Tennessee or Orlando, Florida. It is simply not a place that is going to buy from the United States.

But what we should be doing is a trade agreement, a renegotiation of CAFTA, in a trade agreement that will lift worker standards up so that these incomes begin to rise, so that over time they can in fact buy American products, they can send their kids to school.

You talk about children, particularly girls, not having any chance to go to school and get out of this situation. In this world, we found this whether places, this agreement just locks in that sort of exploitive sort of economic situation where people simply do not have the opportunity that they should have.

Mr. FARR. It is very interesting. Before coming here I was in the State legislature and before that in local government, and before that in the Peace Corps and local government, and we are dealing with economic development all of the time, trying to encourage business development.

But, you know, in that process, you extract a lot from business. Because it is essentially your business that has to retain the responsibility to be a citizen of your community. In California, we tax them a lot. If you are going to build hotels, we tax the hotels for tourism occupancy tax. That stays with the city. We tax sales tax, high sales tax. And communities can raise it higher. We tax on gasoline. We have a huge tax. And people will say, yeah, California is a big high-tax State. But guess what? It is also the biggest economic engine, the fifth largest economy in the world. The most start-up businesses, the most everything.

California is not suffering by the fact that it is proud to have businesses that share in their prosperity through the taxation process and through being able to get good communities. Silicon Valley is out raising their own money to support local transit, their own money, private money, to build housing for people on the street, for the homeless and for people who cannot afford the rental rates, to have subsidized housing, and leverage that with public money.

That is the kind of agreement you ought to be making. It ought to be this quid pro quo. It is not just about trade. It is not just about going in and taking advantage of people, but, really, what is the social benefit that you get from allowing businesses to come into your community, or allowing businesses to come into your country. And I do not see that in this legislation. That is the problem. We are missing the leadership role that the United States has.

And these things could be negotiated out. Yes. The agreements are all about trade agreements under the GATT agreements, which are commodity by commodity. So it is not so broken that those things do not already exist. So you can deal in bananas, and you can deal in sugar. You do not need CAFTA to do that.

But you do need these side bar agreements. And here we have created the Millennium Fund. I compliment the President for creating it. But I think at the same time, the Millennium Fund has gone to these countries and said, What do you want? It is really ironic. I do not think they have talked to the poor people. I do not think they have talked to the people they need to talk to, even though it is supposed to be very good transparency, because they come back and say, We want big super-highways.

Well, that is not going to benefit the education of poor kids. We want bigger ports so bigger ships can come in here, because when we do have the ability to trade with America, we are going to be needing places for a lot of these American goods for land and for our goods to go out. We are forgetting the basics.

We are losing the war on drugs in Colombia, because we are fighting the war by eradicating crops. We are investing very little in alternative development and alternative crops. You cannot win on the war on poverty by just making businesses be more successful. I mean, the lesson in this country is that if you are going to have the Millennium Fund, which has got to be a social collective responsibility to assure that there is investment in institutions that help the poor, and that the poor can help themselves through programs like Head Start, through programs like the welfare social services that we have.

And, you know, I just think that the debate here about our hemisphere, we ought to be prouder of this hemisphere. We ought to be more involved in this. We ought to be bearing at the responsibility, and we have seen that with all of the immigration issues. We debate immigration all of the time. It is sort of like if we build a higher fence and make the border secure, 10 million undocumented people will sort of disappear. It is not going to disappear as long as you have a border between the United States and Mexico, the changes between the richest and poorest in the world, and the history of transfers.

We have not learned. The only way you are going to improve that is by investment in Mexico. We have NAFTA. NAFTA has not risen Mexico up to the level where people can stop coming across the border. So what makes you think that CAFTA is going to raise the level of El Salvador and Nicaragua so that they do not migrate up through Guatemala and up through Mexico, and are part of the illegal immigrants?

I think we are going to lose what we cannot deal with this on a piecemeal fashion. We have got to have a bolder, wiser, more inclusive commitment to raising, as you said, raising the ships, raising, you know, the tides for all ships, not just winners and losers.

Mr. BROWN of Ohio. You said something very perceptive about California, and whether it is the Silicon Valley or whether it is the Central Valley or whether it is Cleveland, Ohio, what our country has been successful in doing is making workers in our country share in the wealth they create.

If you work for someone and you help that employer make a decent living and make a good profit, you as an employee share in the wealth you create. That company also pays taxes in that community, so that the community has safe drinking water and the community has decent road structure and other kinds of infrastructure.

But, as you know, whether you go to Nicaragua or whether you go to the Mexican border or any number of countries in the developing world, workers do not share in the wealth they create.
I have been to an auto plant in Mexico 3 miles from the United States. The workers work just as hard as workers in our country. It is a clean, productive plant, with the latest technology.

The difference between a Ford plant in Mexico and the one I live in, and a Ford plant in Mexico, is the Ford plant in Mexico does not have a parking lot, because the workers are not sharing in the wealth they create.

You go to the world to Vietnam, and go to a Nike plant, and the workers cannot afford to buy the shoes they make. Or go to Costa Rica, the workers at a Disney plant, the workers cannot afford to buy the toys for their kids often.

So the workers are not sharing the wealth they create, and the companies are generally taxed very little, if at all, so they are not putting any money into those communities.

So you re-negotiate CAFTA and put a program together like you talk about, with safe drinking water and infrastructure and schools so that boys and girls could go to school, and the workers would be making enough that they could begin to buy some things, you would see that the standards of living going up, and everybody would be better off, instead of just the largest corporations in the world.

And the interesting thing about all of that is even though the leaders of those countries, as you have said, most of them except Costa Rica like the idea of CAFTA, the workers in those countries, the citizens of those countries simply do not.

I would like to show you this here. Several months ago there was a demonstration in one of the Central American countries, I believe this is Guatemala. There have been 45 demonstrations against CAFTA in each of the six countries, and our country too, but 45 demonstrations where literally tens of thousands of citizens have shown up at the Parliament asking these countries not to ratify the agreement.

This is a case where the police attacked workers who were protesting peacefully. Two workers were killed. In place afterward, it is clear that, like you understand, of course, they understand better than we possibly could why this agreement does not work. They know it will not raise their standard of living. They know they will not share in the wealth they create, and the companies are generally taxed very little, if at all, so they are not putting any money into those communities.

I know when an industry comes to Ohio, it means a lot for the community. It is good jobs. They pay property taxes for the schools. They build good roads because of their tax dollars. All that comes when these factories come, they mean continued misery.

Mr. FARR. Remember, when these companies come in, they are coming in according to the zoning that has been adopted by the local community. They are coming because the community wants them there, and they know that they are going to be sharing in the responsibility.

Mr. Speaker, I want to thank the gentleman from Ohio (Mr. Brown) for this press conference at Senate Plaza, where he had several business people who came to Washington, to explain how small- and medium-sized businesses will be unable to compete with cheap labor in Central America.

What I loved about that press conference was the fact that we had these representatives from small and medium-sized businesses coming to Washington, D.C. to tell the truth about how they have not been represented here in Washington. Many people think when the Chamber of Commerce speaks, they are speaking for all businesses. They made sure that everybody knew that they was not true.

They also made sure that everybody understands that the National Manufacturers Association was not speaking for everybody. These are small and medium-sized businesses that represent the heart and soul of America: Mr. Alan Tonelson with the U.S. Business and Industry Council, Mr. Jim Schollaert with the American Manufacturing Trade Action Coalition, Mr. Fred Tedesco with the PA-Ted Spring Company, Mr. Jock Nash with Milliken & Company of South Carolina and the National Textile Association, Mr. Mike Retzer with the W.W. Strohweig Tool & Die of Wisconsin, and Mr. Dave Frengel with Pen United Technologies of Pennsylvania and Manufacturers for Fair Trade.

These business persons are the kind of business people that we talk about all the time. Members of Congress on both sides of the aisle talk about how we support small and middle-sized business. This is a very important part of the soul of America. And how they really are responsible for creating more jobs than even the big conglomerates and the
international corporate businesses. We talk about how we want to give support to them. Well, this is how we can support them. Enough of the rhetoric. Let us get down to business.

If we want to support our small and medium-sized businesses in the United States, we will not support CAFTA. We will not support what they have come to Washington to tell us undermines their ability to stay in business.

I think we could not have had a more clear indication of what is wrong with CAFTA than to watch these American businesses persons talk about what is wrong with CAFTA. When American workers lose good jobs in manufacturing, they often have no choice but to take jobs with low wages and no benefits.

The countries of Central America that are included in this agreement are some of the world’s poorest countries. The average Nicaraguan worker earns only $2,300 per year, or $191 per month. Forty percent of Central American workers earn less than $2 per day. Central American governments do not enforce fair labor standards, and thousands of Central American workers work in sweatshops with dreadful conditions.

CAFTA will do nothing to improve wages and working conditions in these impoverished countries. Opposition to CAFTA is widespread, not only in the United States but in Central America as well. CAFTA will increase agricultural imports into Central America by large corporate agribusinesses. These imports will put an estimated 1.2 million farmers out of work, displacing families and causing an increase in world poverty. When poor Central American farmers lose their jobs, they will be forced to move into overcrowded cities and seek work in sweatshops producing manufactured goods that are currently made in America.

CAFTA will make American workers lose good manufacturing jobs and again seek jobs with lower wages and no benefits. At the same time, CAFTA will cause Central American workers to lose their farms and seek jobs in sweatshops with meager wages and no benefits.

CAFTA is not a free trade agreement at all. It is an outsourcing agreement. I say it again: this is not free trade; this is about outsourcing American jobs to third world countries for cheap labor. That is what it is. Let us call it what it is.

It allows profit-hungry corporations to ship American jobs to impoverished countries where workers can be forced to work long hours for little pay and no benefits. CAFTA is a bad deal for Central American workers, and it is an equally bad deal for workers here in the United States.

So I would urge this President, Mr. President, to come to Congress and tell us what he knows about American businesses, Mr. President who should not be the President, presiding over a big trade deficit, a huge deficit in the United States. I would urge him to withdraw this CAFTA agreement and negotiate a trade agreement that will create good jobs and provide real benefits to the impoverished people of Central America as well as the working people of the United States.

Mr. Speaker, it is awfully ironic that I am, who is considered a progressive and a liberal, even more conservative than the President of the United States when it comes to preserving American jobs and fighting off the trade deficit that we do not deserve to have.

Mr. BROWN of Ohio. The gentlewoman from Toledo, Ohio (Ms. KAPTUR) has joined us. We all have seen these companies of 50 and 100 workers, often nonunion, usually family owned, usually Republican business, mostly men, some women. We have seen yesterday in this news conference; but more importantly, these small manufacturers understand when a big company outsources their jobs, these small companies simply have to close. This may be a company in Youngstown, Ohio or Akron, Ohio. There may be no article in the newspaper that this plant has closed, and nobody knows much about it except these 50 families who is it just devastating to.

I thank both of our friends from California for joining us.

Mr. Speaker, I yield to the stalwart in fighting for economic justice and fair trade, not these free trade deals that do not work, my good friend, the gentlewoman from Lucas County, Ohio (Ms. KAPTUR). We share the same country, Lorraine County, in our districts.

Ms. KAPTUR. I want to thank the gentleman from Ohio (Mr. BROWN), the author of a book on fair trade, and my colleagues from California (Ms. WATERS) and the gentleman from California (Mr. FARR), for joining us this evening.

I want to focus for a few minutes on the important issue of agriculture. And the new trade ambassador who happens to be from Ohio claims that our agricultural exports to Central America are going to increase by $1.5 billion, or almost double our exports, to the region as a result of CAFTA. But you know what, that is not far from what happened when we debated NAFTA. They said that we were going to increase agricultural exports.

Let us look at the record. The record shows with Mexico we are dead even. It did not make any difference. And with Canada we have fallen over $4.3 billion into the hole. We were promised by the former trade ambassadors we would get more food-processing jobs, and that sounded like a good thing back in the early 1990s. They told us we would get 54,000 new food-processing jobs. Guess what? We did not get a single one. In fact, we lost 16,000 food-processing jobs in this country. Even Brachs Candy is locking up their doors in Chicago and moving south. Same thing in my district, Spangler’s Candy.

NAFTA boosters said to us, oh, farm cash receipts are going to up by 3 percent yearly, yet American farmers have gone down by that amount. And net farm income during the NAFTA period has gone down by nearly 10 percent from $52.7 billion to $47 billion. So NAFTA’s legacy for farmers in America is declining prices, and they know it. They know it. And with NAFTA, agricultural exports with the CAFTA countries. And already we are in the hole. With NAFTA and Mexico, we were almost even. We were in debt a little bit worse. We are in the hole, and it has gone completely south.

We know CAFTA will mean more sugar imports into our country. We also know in one of the most important areas which hardly anybody has talked about, in ethanol production which is a brand-new market for our country. We have got about 54 ethanol plants in this country right now. A Corn Belt State like Ohio would benefit enormously from some of the new energy legislation we are working on in the Congress.

But what CAFTA would do is, guess what, it would open up exports from Argentina and from Central American countries of ethanol-based products, including ethanol made from sugar into our market. So in the same ways we are becoming and have become totally addicted to imported petroleum, now we will get addicted to ethanol by imports through agreements like CAFTA, rather than finding a way to help our farmers bring those markets up in this country.

Minnesota is really leading the way. I love the people of Minnesota, the farmers of Minnesota. I wish I could do for America what they have done for Minnesota in the area of ethanol production.

So when we look at this CAFTA agreement, and I know time is limited this evening, I just wanted to come down here and say if we had a decent renewable fuel standard that would require an 8 billion gallon reserve, what we could do for real farm income, not subsidy income, but real farm income in the entire Corn Belt region, in the sugar beet region of this country, in the cane sugar beet areas of our country where we could really make a difference. Wow, what we could do here at home.
I just think CAFTA is a bad deal. I think we should learn from the past. And agricultural America knows it is a bad deal. The only people who are supporting this are some of the brokering companies. Whether they get their product in Argentina or in the United States, these transnationals, they really do not care. They just want to trade on the backs of those who are actually doing the work.

We should care about the American people. We should care about the farmers in our fields. We should care about those people who are working in our processing companies and keep that production high.

Mr. FARR. The gentlewoman and I are both on the Subcommittee on Agriculture of the Committee on Appropriations, and I cannot think of two people that fight more for small farms and the ability of rural America to have a successful economic development.

I am wondering if the gentlewoman is finding in Ohio, in the people the gentlewoman has run across, most of the agricultural trade associations are supporting CAFTA. As I run into the members of those associations, they are not so keen on it. They are very concerned. They think that these are agrarian countries, and so what is going to happen is the products that they grow and can get into the school lunch program, can get into the organic program, can get into essentially all of the multi-billion dollars that America spends on food for the military and food for food stamps and things like that, that these products will be produced not at the local farmers market and additional farmers markets; but these products will come from Central America, at the expense of small farmers in our country, particularly of specialty crops.

Ms. KAPTUR. I thank the gentleman. I think he has raised an excellent point. I think the Washington trade groups are totally out of touch with their members at the local level.

I have had farmers say to me when we were debating the NAFTA agreement, why should we let bell peppers come in from countries that do not have environmental regulations like we do? Bell peppers coming in with DDT, which is being banned in Ohio. They were not competing on a level playing field. They were on a different field. They would go down to these towns. You cannot even call them towns. Little dusty villages in Mexico where these bell peppers were grown. And the farmers would say, I have been going down there for 20, 30 years. They do not even have an asphault road yet.

So the whole system of life was different, and they were being asked to compete with a country that really did not allow its farmers to earn more by virtue of the hard work that they did. They were not strong enough people who less educated, for people who are less educated, for people who are below living standards. It has got to be a totality. If we are going to trade ideas and products, we have also got to trade in education. We have got to trade in social responsibility and minimum standards, minimum wages, minimum protection for labor, minimum protection for environment.

This is the most giant business deal that the United States will ever make. And it is tragic that in this giant business deal we are not dealing with all of these other issues that we came here to Congress to try and solve.

Ms. KAPTUR. I thank the gentleman for his comments on that. I think the gentleman from California (Mr. FARR) is exactly right and he understands how one has to have integrated policies.

I wanted to say as I am looking at the gentlewoman from California (Ms. WATERS) who has fought so hard for people to build a real middle class in this country and to help other nations help their people create a middle class, what is really sad about these trade agreements is it pits the poor against the more poor. It draws our living standards down. But one farmer that I met in Mexico said to me, what is really upsetting is that we feel like crabs in a bucket.

Every time we try to get up a little bit, somebody else pulls us down, and they were fighting this rush to the bottom, which is the expression that the gentleman from Ohio (Mr. BROWN) uses so well, to pull another person down, rather than having the standards that the gentleman from California (Mr. FARR) is talking about, where we all agree to a minimum standard. We bring people up, not pull them down.

Ms. WATERS. I think you are so right, and I thank you so very much for the leadership you have provided on these issues. I thank you for opening up opportunities for women to go down to Mexico and take a look at what is going on there. It is because of you that a lot of people in this Congress have become interested in this issue, and I appreciate the work you have done.

Ms. KAPTUR. Mr. Speaker, I thank the gentlewoman for saying that. Also, 60 percent of those people who are employed in these Central American countries are women. They are working in banana companies trying to pack these crates, 40, 50, 60 crates an hour. They are being forced to make men's trousers, 400 to 600 pairs an hour, and they are being paid $3.80 an hour. They are being paid 2 pairs of slacks down there, which costs $39.40, and yet, they are making 400 to 600 pairs of trousers an hour.

What kind of a continent, what kind of a world are we creating when we pay so little heed to those who work so hard for so little and then we put our workers out, largely women workers in the textile industry in this country, where we farmed out those jobs in places like North Carolina, South Carolina, are hollowing out of this production? At least they were in the middle class. They had finally made it to the middle class. What are we doing in this country?

Ms. WATERS. It could not have been better stated.

Mr. BROWN of Ohio. Mr. Speaker, I thank all of my colleagues. Our time is about up. Thank you very much for your passionate remarks in closing.

I thank the gentleman from California (Mr. FARR) and the gentlewoman from California (Ms. WATERS), the gentlewoman from Ohio (Ms. KAPTUR).

This Congress will likely vote on this agreement soon. It is pretty clear that the most powerful people in all seven countries, the Dominican Republic, the Central American countries and the United States, support this agreement but overwhelming opposition among the public, small business owners and family farmers and ranchers and workers and people who care about the environment.

If this Congress does its job, it is clear we will defeat this CAFTA and then renegotiate one that lifts up workers in all seven countries. I thank all of my colleagues for joining us this evening.

30 SOMETHING WORKING GROUP

The SPEAKER pro tempore (Mr. INGELS of South Carolina). Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes.

Mr. MEEK of Florida. Mr. Speaker, once again, it is an honor to address the House for another week. The 30 Something Working Group has come to the floor to talk about issues that are not only facing young people but also facing Americans in general, and I think one of the greatest values we have in this country is caring about future generations by caring about those that cannot represent themselves.

It is important that we come to this House and in this great democracy that we celebrate every day and recognize the contributions of those individuals that go to work every day. Those individuals know what it means to punch in and punch out every day. Those individuals know what it means to not have health care; those individuals that are running small businesses that would like to have assistance from this Federal Government to be able to carry
out their everyday needs, not only for their employees, but to make sure that we have a fair tax policy for the backbone of our economy.

So we meet weekly to talk about these issues and then we come to the floor from South Carolina (Ms. PELOSI), the Democratic leader; and also in our leadership, the gentleman from Maryland (Mr. HOYER), as Democratic whip; the gentleman from New Jersey (Mr. MENENDEZ), who is our chairman; and also, the gentleman from South Carolina (Mr. CLYBURN), who is our vice chairman, for providing the kind of leadership within the Democratic Caucus that is needed not only for the caucus but for America.

We come here as young members of the Democratic Caucus in this Congress to shed light and bring clarification to statements and actions or inactions by this Congress.

I am pleased to announce, as I announced last week and as I announced a few weeks ago that a number of the individuals in the White House and in the majority have now taken another look at Social Security. Once again, we come back to the floor to talk about that issue, Social Security. As they have taken a second look at this issue, they are finding that Americans are just not with them on the privatization of Social Security.

I am far from receiving from Social Security as it relates to retirement, but let us just think of hypotheticals of how important Social Security is. Someone my age could receive survivor benefits from a parent who wants to leave survivor benefits, not my age but younger, or receive disability.

So when we start talking about Social Security on this side of the aisle, the Democratic Caucus, we are talking about strengthening Social Security. Even some of my friends over on the majority side, Republicans, are talking about strengthening Social Security, not weakening Social Security through schemes and privatization plans.

So we continue to fight and also let the leaders on the majority side know that we are willing to work together once again, like we did in 1993 with Speaker of the House Tip O'Neill and Ronald Reagan in the White House, of working out a way that we can strengthen Social Security, make sure that it is here beyond the 47 years that it will be here in 2016 and providing the benefits that we are providing right now, and even 80 percent of the benefits after that period, of making sure that people can count on the fact that if they pay into Social Security, that it will be there for them when they need it.

It is important. Some 40 million Americans receive Social Security right now. A number of those Americans are retired, but many of them are receiving disability benefits due to an injury on the job, and they cannot work or individuals that their parents have paid into the Social Security and now their children are able to not only educate themselves but help them make it through college with extra money to be able to help them to become productive citizens here in the United States.

So that is the reason why this debate is so important. These issues that are important? Of course, there are. Is the environment important? You bet it is. Is education important? That is our future; of course, it is. Is health care important? Health care puts the backbone into education, into our workforce, into making sure that we have a healthy economy and that we are able to compete against other countries as it relates to making our country strong.

So those are very important issues, but Social Security is in the halls of Congress now. It is important, Mr. Speaker, that we break down this debate to the point that individuals, everyone, can understand, every Member can understand, every American could understand, and it will be affected, and that is all Americans, from young to old.

It is important that we no longer allow the majority side to raid the Social Security trust fund, and the gentlemen on their side want to raid this fund so that they can continue to do other things with this money. So we continue to talk about a proposal that was just introduced this week of saying that it is different than what the President is proposing. Well, another proposal that is supposed to be different than what the President is proposing.

As you know, the Social Security trust fund has been raided to some $670 billion. So when we see proposals of individuals saying, well, we just take this from the trust fund and we will take that from the trust fund, the trust fund is there to make sure that individuals that are expecting their benefits out of Social Security, when they need it, Social Security when they need it, that it is there for them. It is not time to experiment. It is not time to say we want private accounts and this is just the way it is going to be.

Paper is paper, and if you go get a yellow sheet of paper and say that, well, it is yellow, it is different; well, if it has private accounts in it, it looks like it is a yellow sheet of paper and say that, well, it is yellow, it is different. But, if it has private accounts in it, the American people know that that means fewer benefits for those individuals that are enrolled in the private accounts or not enrolled in the Social Security. It is important that we pay very close attention in what is going on and what is being said.

Now, there are a number of individuals that are very, very concerned, and I will tell you that for young people, and I do mean young people in America, and for parents that have young people that are in college or young people that are trying to make their way, you may have a son or daughter that is living in an apartment just trying to be independent, trying to get on their feet, trying to do what you have done, trying to build the kind of values that you placed in them, you try to place in them as you were rearing them and as you were trying to develop them as men and women. They are trying to stand up, and it is imperative that this Congress does everything that it has to do to make sure that their government does not gamble on their retirement.

One thing I urge everyone who is relying on jobs 3 to 4 years, on average. They need to make sure that Social Security is going to be there for them because a pension plan may never really develop in the way that it is supposed to. There is a number of Americans that are in pension plans right now that have failed them, and it is very, very unfortunate that is the case, but one thing that they can bank on literally is that Social Security will be there for them.

So when we have individuals running around here talking about private accounts, thinking that it sounds good or cool or something new to present to the Social Security debate, I must remind them that we will continue to talk about Social Security. It is important that we have a Social Security plan that is needed not only for the caucus but for America.

So when we have individuals running around here talking about private accounts, thinking that it sounds good or cool or something new to present to the Social Security debate, I must remind them that we will continue to talk about Social Security. It is important that we have a Social Security plan that is needed not only for the caucus but for America.
cannot place a bill through the Committee on Rules here on the floor of the House. We can only recommend.

So when you see private accounts and when you see lack of health care, when you see as a small business person unfair tax policies, to be able to allow your business to prosper, when you see environmental laws falling short what they should be, then you must understand that on this side of the aisle we try to do all we can. And I will give credit to some of my Republican colleagues that think in the same way and that are trying to do better as it relates to addressing those issues.

As to veterans, and I am from Florida and have many veterans in my district, and they come to me. Congressman, I cannot understand, it seems like the list is getting longer and longer every time I go to the VA. Well, that is because we are not standing by our veterans. We march up and down the street on Veterans Day and Memorial Day and recognize those that have paid the ultimate sacrifice. But on that Tuesday after recognizing the veterans, it will be business as usual and as it relates to VA hospitals and copayments that veterans have to pay more and more.

We talk about individuals in Iraq, and 70 percent of those who are losing their life in Iraq are under 30 years old. So these are patriots. These are individuals that are going out the very even before they are able to start their own family, in many cases even before they have an opportunity to be able to buy their first home. So it is important when we start saying we are doing something in light of our young people, it is important that we pay very, very close attention to this.

I am going to show one of these charts here. This is the President’s priorities as it relates to tax cuts. It is great day and recommending that is available for veterans in this country. I will tell Members, I have a veteran in my family. My uncle is a veteran. He served in the Korean War. He is a soldier from the Army. He did what he had to do on behalf of this country because this country asked him to do it. We have $1.8 trillion in permanent tax cuts. We also have tax cuts for the top 1 percent which is $0.8 trillion, and then there is $0.3 trillion as it relates to veteran budget authority.

I think it is important that Members understand that the way we work here in Congress, we talk a lot about veterans and what we should be doing for them, and we talk a lot about their contributions, many of us walk and march and wave in parades. And, ho-hum, we salute the same flag. But better yet, when it comes down to where we put our dollars, where we put our priorities, how we take action as it relates to veterans, you can see where it falls short.

I will tell you once again, giving credit to some of my Republican colleagues, some of them have a real problem with this. The past chairman of the Committee on Veterans’ Affairs was removed, removed from the chairmanship of the committee, because he did not pass the legislation that the leadership on the majority side wanted to see passed.

Mr. Speaker, he did the right thing and he paid. He paid with his chairmanship. So that is why it is important that I remind Members of the majority side of the aisle, that we will continue to bring factual, accurate debate on the issues that are either happening in this Congress or not happening in this Congress. When we are able to come together on issues that are facing America, fine. We can talk about that and we can be very proud of those accomplishments. But when our priorities differ, it is important for us to pay very close attention.

I have another chart here. Those of us in the 30-Something Working Group, we have a chance to do some pretty wild numbers. These are our recent numbers. As Members can see, we are close to $1.8 trillion. This is as of June 20. Below that we have the share of the national debt for every American: Democrat, Republican, Independent, Green Party, you name it. Reform Party, just born 10 minutes ago, they already owe the Federal Government $26,255,76. This has to be paid off. This is not monopoly money, this is not funny money. This is not the Madoff-Something Working Group Report. This is from the U.S. Department of Treasury. We will give our Web site out a little later where you can look at it.

Mr. Speaker, once again, to back up, I think it is important that we go through the fundamentals and talk about the difference. When this House was run by Democrats, we balanced the budget without one Republican vote. That is a fact. That is prima facie evidence, as they say in the courtroom. That is not a fabrication. That is not an exaggeration. That is not something that some Democrat said on the floor and it is not true. We balanced the budget.

The number we have here was balanced and was going into surplus. As a matter of fact, it was not as high because this is the highest the national debt has been in the history of the Republic. Since we have been a country, the deficit has not been this high. Some may say well, it is the war in Iraq, That is not true.

Well, we ran into a hard time; 9/11 happened and we had to create a new department. That is not true. That is not why it is so high. The debt is where it is now because we have decided to give tax cuts to billionaires. That is a big part of it. And then we turned around and made it permanent. Now, middle-class tax cuts, I do not have a problem with that because that grows the economy.

But when we start talking about a fundamental difference in how we do business on this side of the aisle and how the majority does business on that side of the aisle, there is a big difference.

Like I said, I am not a generalist because I do not like to generalize, but when I say some of my colleagues on the other side of the aisle, they have problems with some of the decisions being made by the leadership, that is true. So I think it is important that we focus on the things that we can continue to focus on as it relates to the priorities and how we work to make things better.

I am going to start talking a little bit about the plan that the President has put out and that some Republican Members of Congress have put on the table. The President has said that he wants to bring privatization to young people. Young Americans will be able to have private Social Security accounts; that they will be able to use the money they have and invest it in a way that they want to invest it.

The President has come to this Chamber and addressed this Congress in the last State of the Union and said if you pass over Social Security, it will not affect you. The President has also said he will fight to the end, making sure we have private accounts. Regardless of the fact that not only news reports but nonprofit and government entities have found, and the White House has admitted the fact that if you are in a private account, if you decide to take a private account or not, you will lose benefits.

We really digress against logic to say well, I know I will lose benefits, but it is important that we go the private account route, even though Social Security is not in a crisis at this particular time, not an imminent crisis.

President has come to this Chamber and addressed this Congress in the last State of the Union and said if you pass over Social Security, it will not affect you. We have a constant watch on this number. We will give our notes out a little later where you can look at it.

Mr. Speaker, he did the right thing and when I say some of my colleagues on the other side of the aisle have problems with that, because I do not like to generalize, but...
Mr. Speaker, there have been hundreds of town hall meetings throughout the country, talking about this issue of Social Security, and young and old have said we want Social Security. It is the best government program that we have in many cases, and we want to be sure that do not not want it to be privatized. We know that when you privatize something, you have to meet the bottom line. And the people that are in the business of so-called making you money, they have to make their bottom line, and if they have to make their bottom line, they are going to take care of that business first and then your investments may make some profit.

Mr. Speaker, I was about to go into the new plan or philosophy that has been brought to this House in the way of a press conference about private accounts, but since the gentleman just got here, and I have been talking about Social Security and privatization going through the minority and majority issues. It would not be a discussion, if we were in the majority, that we would strengthen Social Security in a bipartisan way like we did in 1983, and we would be dealing with issues such as health care and other issues that are facing us. We are going to talk about that, too.

Mr. Speaker, I welcome and yield to the gentleman from Ohio (Mr. RYAN).

Mr. Speaker, Mr. Speaker, it is good to be back. I am sorry I am late, but I agree wholeheartedly with the portion I heard the gentleman was saying.

I think the focus that the 30-Something Group has zoned in on is the issue of this borrowing, this raiding the trust fund, this taking away from investments that can be made in the next generation.

The President came out with a plan that said $5 trillion would have to be borrowed over the next 20 years, 1.5 to $2 trillion over the next 10 years. So imagine $5 trillion being borrowed, taken out of the economy, borrowing it from the Japanese and Chinese in order to fund this scheme that the President was pushing.

Now, all of a sudden, we have a new privatization plan that is a little bit different, and we will get into the details in a minute. I think the principle is the same: We are taking money out of the trust fund, and I think any time we do that, we are putting ourselves in a very, very difficult position.

The key principle for the Democrats is to make sure that we maintain the benefit we have now, make sure that we maintain the guaranteed benefit that our parents and grandparents have, and then make the system more solvent.

There are very few details. Unless there is new information, there are very few details to this plan.

Mr. MEEK of Florida. Mr. Speaker, we are giving it too much credit by calling it a plan. It is a philosophy. The proponents are saying, and they have now come up with a new approach, it is different than the privatization proposal, but it is just like the privatization proposal.

It would take a portion of the Social Security trust fund revenues and put them into private accounts. That is privatization. It does not matter whether the total size of the account is limited to an amount each year as it relates to the Social Security trust fund rather than a percentage for the participants' payroll taxes. The gentleman from Ohio and I are very familiar with the Potomac two-step. We know what it means to say, Look over here but we're going over there. And so it is important that we not only come to this floor and let the Members know and say it out loud. A portion of what? How much? What is a portion? I can guarantee you it is in the trillions.

And if we start talking about, well, it is not necessarily the President's private account plan, but it is dealing with private accounts, that is privatization. I am sorry, any way you cut it, it is privatization. As we learn more and about and as we start to unmask this GOP leadership vision, which is based upon theory, not fact, we will start to understand as it relates to the privatization scheme and how they are trying to get there.

I know as long as we have air in our body and God provides us another day to live, that as we see this old. Well, it is not good, Mr. Speaker, we're going to take a portion, we are going to translate that not only for the Members but also for the American people.

Mr. Speaker, and it is important that we do that and we are going to continue to follow. But the gentleman from Ohio is 100 percent right, we do have some additional information; but the bottom line is that they are going to go into the Social Security trust fund to be able to, I guess, secure these private accounts.

Mr. RYAN of Ohio. This is so eerily familiar to what has been going on with all these other different programs. I do not know if you got a chance to talk at all about this, but remember the Medicare program? Remember how they had this great program that was going to move the country forward and, God almighty, it was only $400 billion.

Mr. MEEK of Florida. I am sorry, can I correct the gentleman? It was $350 billion.

Mr. RYAN of Ohio. $350 billion, it started, at the very beginning. Then it became $400 billion. Then you and I sat in the Chamber in the morning and watched the arms get twisted, the eyes start to bulge, the chicken wings were coming in, they had the arms behind people's backs. A $400 billion Medicare prescription drug bill passed this Chamber. A few votes, with a lot of arm twisting.

Then we find out a couple of months later that the $400 billion prescription drug bill that was $350 billion became $700 billion. And then we found out that the $700 billion prescription drug bill that was a $400 billion prescription drug bill became actually a $350 billion prescription drug bill became over $60 billion when you start factoring in some of the out-years with absolutely no cost containment through re-importation or giving the Secretary the power to negotiate down the drug prices.

So now all of a sudden we go with the Social Security program, and let us not even talk about the war and all the nonsense that was given to us prior to the war and what ended up playing out, we will keep it on domestic programs, and now they are telling us that, well, we had these private accounts and they were going to not cost too much and they were going to save us money in the long run; and we started the making the number not to the fact that it was going to be $2 trillion over 10 years, $5 trillion over 20 years. Our national debt now is $7.8 trillion, and we are going to add an additional $5 over the next decade.

But now that did not work so now we are going to go back to the drawing board, and we are going to start playing a shell game with the Treasury bonds, but the bottom line in this is that they are still taking surplus money that is being used right now going into domestic programs, going to reduce the amount of the debt. They are going to put this in some kind of private account somewhere that nobody really seems to know where it is and have no way of balancing the budget or making investments for the American people.

Mr. MEEK of Florida. It is like walking down the hall and you never get to the end as it relates to the deficit. Let me just tell you a little bit more about this plan, because I had an opportunity to jot some things down. Let me just further break this down and water it down a little bit. I think you all understand, every Member of Congress can understand exactly what we are doing or what some individuals would like to do.

Under this new plan that they have put forth, Members of Congress, a Member in the House and another Member in the other body, they basically said under the current annual surpluses would shift to private accounts, so they are saying that what we have now as it relates to the surpluses in the Social Security trust fund would now be shifted to private accounts. The sponsors even admit that this plan would do nothing to restore solvency to Social Security. They will not solve the Social Security issue.

Mr. RYAN of Ohio. Say it one more time.

Mr. MEEK of Florida. This will not. Buy the sponsors. This is not someone walking down the street.

Mr. RYAN of Ohio. This is not the Kendrick Meek-Tim Ryan quote.
Mr. MEEK of Florida. There you go. It is not. This is by their own admission. No, it will not solve it. Furthermore, when you start looking at it, it really has three serious flaws. When you are talking about Social Security, there is no play around. If you start talking about, well, I am smarter than the next person. I believe this will work. We cannot go on belief. We have to know for sure. One flaw. The plan would worsen the Social Security solvency issue in the long run and in the short run. This is not something that will be kind of off into the future.

The plan would also drain $600 billion from the Social Security trust fund in the first 10 years, $800 billion. This is what they are saying right now. You just talked about the prescription drug, quote-unquote, plan starting off at $350 billion and now $724 billion as we stand here today, and counting. This is what they are starting off with within the first 10 years. The third issue, the plan will cause Social Security to become insolvent 2 years sooner, in 2030 instead of 2041. This is not only saying, well, ladies and gentlemen, put your head down, we are going in this way, but we are going to hit the ground before we actually hit the ground. As a matter of fact, we are going to move the ground closer, or we are going to make the plane go faster to be able to hit the ground.

I will tell you this right now, it is important and it goes to show you how the Republican leadership is willing to stop at nothing to deal with this private account issue. Furthermore, let me just say that some of my friends on the Republican side have great issues not only with the President’s plan but with this plan. I appreciate my colleagues who are trying to figure out a way, but there is a better way without privatization. There is a way to strengthen Social Security. Better yet, a total Democratic plan is not the best plan. A bipartisan plan is the best plan. That is what we are saying.

Mr. Ryan of people that I run into, they say, Well, goodness, can you guys and gals, can the Members, can you work together? Can you just get along? Can you just come together on this issue on Social Security? If we can come together on making sure our men and women in uniform overseas, thousands of miles away and three or four different time zones away from here, if we can try to do our best and make sure what they are supposed to get in a bipartisan way, then we have to make sure that the individuals that are here and the families that are here and the individuals that have paid into this, even those that have died and left survivor benefits for their families that are here and the individuals that have paid into this, even those that have died and left survivor benefits for their families, that they get a fair shake. It is our responsibility to make sure that happens.

We talked about the fact that we are in the minority, we would like to in the majority, we can fight, too. And we will make sure that the American people know exactly what is going on.

One other point. We have to give credit where credit is due. There are some individuals that are not in the leadership of the Republican side that are not with this private account thing. I am asking my friends, and I see them in some halls we bump into each other here on the floor; they say, I saw your 30-something Working Group, you were talking about this. I am glad you said some Republicans are not with this privatization thing. I am one of them.

Do you remember the movie “Jerry Maguire” when they took Jerry Maguire out to fire him? The guys went out to fire him. He said, man, I’m sorry, but they sent me and I’m here to fire you. He is staring at this glass of water, and he is not saying anything. The guy said, You should say something. That is what I am saying to my friends on the opposite side of the aisle: you should say something. You should rise up and say, Enough with the private account thing. I think it’s okay; let’s try to find another plan. That is it. Let us strengthen Social Security, and let us just put this private account thing out the door so that we can get on with the business of the Congress in a bipartisan way. That is what we are saying.

Mr. Ryan of Ohio. That is a great point. Because here we are today, we are passing an amendment to the Constitution today that has not gone anywhere. Everywhere you go anywhere. At the same time we are cutting benefits for our veterans, and here we go. All of a sudden we have got another Social Security plan. Let us fight about this one for 6 months. Let us have the 30-something Working Group come here and fight about this one and pick this one apart for 6 months.

When is this administration and this Congress going to start addressing the real problems in the country? That is the real issue to your district and you are in south Florida. No one is worried about their Social Security check coming to their mailbox. Look at this thing. We are good until 2047, 100 percent of your benefits, if we do not do a stinking thing here. Then for the next 20 years, you still get 80 percent of the benefits if we do not do a thing in this Chamber. And we consistently have this debate on this plan and that plan, and we do not get anywhere. We have got a challenge, but we do not have a big problem with the Social Security plan. I go back home and young kids have lead poisoning, thousands of kids in thousands of school districts around this country have lead poisoning. Kids do not have enough money to eat. Eighty-five percent of students in some of these school districts qualify for free and reduced lunch, and we are talking about 2047.

We are running a $600 billion-plus deficit that is offset by the Social Security surplus. It is irresponsible to sit here and try to pretend that 2047 is somehow a crisis in the country. It is irresponsible that we are going to consistently come up with new plans that we are going to argue over. Where is the new plan to make sure young kids have enough food? Where is the new plan to make sure we build new schools? Where is the new plan to make sure every single in the country has health care?

This is a farce. This whole debate has become a farce and we are ignoring the real problems of the people in the country. All you have to do is check one of the polls that come out. This guy here has a 30 percent approval rating in the whole United States of America. What are we doing? It is obvious that we are not addressing the needs of the problems. This is my third year, this is your third year, this is the President’s fifth year, sixth year. The Congress has been in control of one party since 1994. Come on. We have not addressed the health care issue in the country. Forty-some million Americans do not have health care. I General Motors, Goodyear, small mom-and-pop businesses, food chains. No one can afford health care for their workers anymore.

Mr. MEEK of Florida. The States cannot even afford Medicaid. They are saying Medicaid reform. You know why? Because businesses are saying, when folks are signing up and filling out their employment information, they are saying, well, I think you are eligible for Medicaid. I think you need to buy one of these health care plans so we get more benefits under the Federal program versus what we can provide you.

Mr. Ryan of Ohio. Look at Walmart. They have gamed the system. They pay their employees just enough for them to qualify for Medicaid, so they do not pay them any more. They do not give them health care benefits and they qualify for Medicaid. That is corporate welfare. Everyone is worried about cutting welfare checks for poor people. How about the rich people that get at the public trough and pig out?

We are subsidizing Wal-Mart while they are forcing their suppliers to go to China.

Mr. MEEK of Florida. I wanted the gentleman to say that, Mr. Speaker.

Mr. Ryan of Ohio. Mr. Speaker, I appreciate that. But on and on and on this goes, and we are sitting here having a debate, a curious intellectual debate, about whether the new Social Security plan is going to work or not. It diverts $600 billion from the surplus. This is not working. The President’s plan is not working. We do not have a crisis for another 40 years, and meanwhile we are getting our clocks cleaned by the Chinese while they are taking the money and they are buying military equipment from the Russians. We are sitting here thinking who can come up with the next great Social Security plan.

I know the gentleman goes back to his district every weekend, and I do...
too, and I know that people are not interested in our having intellectual debates about a problem that really does not even exist. That is left for the ivory towers. We are here to get the job done.

Mr. MEEK of Florida. Mr. Speaker, reclaiming my time, getting back to talking about getting the job done, that is being shed light on, what the gentleman just shed light on as it relates to what is not happening and also what is happening to Americans versus for them.

The gentleman from Arkansas (Mr. SNYDER), one of our colleagues, put forth a piece of legislation, and once again if Democrats were in the majority here in the House, which we fight for every day, of responding to the national health care crisis as it relates to young people, it is the Health Care for Young Americans Act that he has put forth that many of us are cosponsors of, which among other States the expansion of extending health care insurance coverage to many uninsured young adults. States provide health care coverage to low-income uninsured children largely through two Federal/state programs, Medicaid and the State Children’s Health Insurance Program. However, these programs often reclassify children as adults when they turn 19, making them ineligible for coverage.

Mr. Speaker, we have to start on this health care issue somewhere, and we have solutions on this side of the aisle on how to deal with those issues. Just last week we talked about legislation that the gentleman from California (Mr. GEORGE MILLER), ranking member, has put before the Committee on Education and the Workforce, introduced bills with other Members here in the House that we are both cosponsors of, that replenish the issue of the Pell grants, because the Bush administration has changed the formula that are cheap young people next year, the next fiscal year, out of $300 million of dollars that should be in that Pell grant program that they have taken away. We want to put those dollars back because we know, just like the gentleman said as it relates to competing against China, competing against other countries that are competing against us, where we have a negative trade deficit as it relates to dealing in business with them, but they are having a lot of in our businesses with us; and meanwhile here in America we have people that are trying to put themselves to work and businesses that want to put them to work, but cannot afford to put them to work and are putting them out of work because they can not afford to keep them in work because the jobs have moved overseas and they cannot compete with the prices that are there.

But the 30-Something Working Group is not only pointing out the issues, but also what we have on the table that would be on this floor or going through the committee process in a bipartisan way to find the solution, not for Americans that happen to be Democrats, but for Americans that want a fair share from their government and being able to make sure that they have not only adequate health care but to make sure that their children are all right.

I am a father. Mr. Speaker, and I was married 14 years ago, going on 14 years, and I was a different person before I got married. But when I got married, it was a totally different relationship. And when our children start to get older, we continue to change. And then when our children and I have not seen this yet, start to talk about leaving and going to college or getting into some kind of trade or getting out on their own, which some parents say that never happens, but when they start to develop themselves as young adults, we still parent. We still care about them. So when we start talking about health care, and then when we start talking about making sure that they get a Pell grant to educate themselves, it is our issue. When we start talking about Social Security and we have the administration and some members of the Republican Congress with saying privatization is the way to go when the only guarantee is $944 billion would go to Wall Street, that is our issue. We are here to watch out for future generations.

I agree that the President in saying we have got to watch out for future generations, but we do not watch out for them. And seeing that deficit, that almost $7.3 trillion deficit that the gentleman has there behind him, there is not a real debate on the majority side or even legislation to provide health care or to make sure that every American is able to receive health care or making sure that small business is able to provide health care. There is not a real debate on the majority side on why is it not happening? Why are we here saying what we are saying if it is happening? Because it is not happening.

So that is the difference. People are asking, What is the difference between us and them? One, we are all Americans. Two, we have a Republican side and we have a Democratic side. Three, the majority runs the House of Representatives. So if people want change, if they want to bring about opportunities, they have to get pressure on the majority side to make them do the right thing, and hopefully they will do the right thing and then maybe it will work, or the American people are going to have to rise up, Mr. Speaker, and say they want different.

Mr. Ryan of Wisconsin. Mr. Speaker, if the gentleman will further yield, that is a beautiful point. It is a beautiful point. The Republicans control the House, the Senate, and the White House. So obviously one agenda is getting implemented. Their agenda is getting implemented because they control all three Chambers. And when we look at what it is, it is obviously not an agenda that is helping Middle America, small businesses, addressing the health care issue, education issue, and all of the things we have talked about. The gentleman mentioned earlier business not being able to cover health care for all their employees. And if many workers feel that way, but they are not out to hurt people. If they could provide health care and they had the resources to do it, they would, especially the small businesses. Especially the small businesses.

So the question is, What have we done here? We cannot blame a big company for not providing health care to their workers if they are trying to compete with people coming and shipping goods in from China with low cost, with low overhead, because of all the situations that we have talked about here. The finger should be pointed at this Chamber. The finger should be pointed at the U.S. Senate and at the White House. We are the ones not addressing the health care issue in the country. We have not done anything.

I cannot tell the Members how many small business people I meet on a daily basis when I go back home that talk to me about health care, and they run a business of 100 to 200 people. They care about their workers. When someone in a worker’s family gets sick, they know about it. When a worker gets sick, they know about it. They know the name of everybody on the floor in the machine shop. And to say that somehow they do not care, I think is wrong. I think it misrepresents what is going on.

And my point here, as scattered as it may be, is that the finger should be pointed at us. We swear an oath to the Constitution, and means helping people, coming together in a democratic fashion to move society forward. And we are not doing it. We are leaving people behind left and right, whether it is health care or whether it is education or anything else.

So I know we are wrapping up here and we are running out of time, but I wanted to make that final point and let the gentleman make a point, and wrap our little chart up here and wrap things up.

Mr. MEEK of Florida. Mr. Speaker, if the gentleman gets a chance, I would like him to be able to share the Web site information and e-mail information not only with the Members, Mr. Speaker, but making sure that everyone knows exactly what we are talking about here. And I think it is important that we couch this 30-Something Working Group hour in saying that we have a number of issues that have to be addressed in America. We have issues that are facing people that punch in and punch out every day, or once did; individuals that ran a small business,
put their kids through college, now having to really work hard to help their children or grandchildren make it in this America. And so it is important that we bring issue to that.

It is also important to let people know that we have ideas, not only concerns but ideas. And we present that every week, at least two proposals that our colleagues have put forth or we have put forth to be able to strengthen America. So it is important that we continue on this track. I want to thank the gentleman and other members of the 30-Something Working Group for doing what they do.

Mr. Speaker, I yield to the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. Mr. Speaker, I thank the gentleman for yielding to me, and I thank him is exactly right. We have got to step up and pose the vision, an alternative to what is going on here. Give us an e-mail: 30somethingdems@mail.house.gov. Send us an e-mail and we will possibly read it here. We have brought in a lot of e-mail the last few weeks. We have been swamped with e-mail the last few weeks.

So I thank the gentleman for yielding, and we will be back again next week.

Mr. MEEK of Florida. Mr. Speaker, once again I thank the gentleman from Ohio (Mr. RYAN) for his comments, and, like I said, everyone in the 30-Something Working Group, we would like to thank the gentleman, but the Democratic leadership for allowing us to be here once again. And it was an honor to address the House, Mr. Speaker.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BORD (at the request of Ms. PELOSI) for today on account of medical reasons.

Ms. Jones of Ohio (at the request of Ms. PELOSI) for today after 4:00 p.m.

Mr. KUCINICH (at the request of Ms. PELOSI) for today after 3:00 p.m., in order to save jobs at NASA Glenn and DFAs.

Mr. POMEROY (at the request of Ms. PELOSI) for today and June 23 on account of official business.

Mr. RANGEL (at the request of Ms. PELOSI) for today on account of attending the memorial service for the late Hon. Jake J.J. Pickle of Texas.

Ms. JACKSON-LEE of Texas (at the request of Ms. PELOSI) for today on account of attending the funeral of the late Hon. Jake Pickle of Texas.

Mr. BONNER (at the request of Mr. DELAY) for today on account of business in his district.

Mr. LATOURETTE (at the request of Mr. DELAY) for today from 4:00 p.m. until approximately 1:00 p.m. on June 23 on account of a BRAC hearing.

Mr. NEY (at the request of Mr. DELAY) for today on account of a death in the family.

Mr. Oxley (at the request of Mr. DELAY) for today on account of business in Ohio.

Mr. Smith of Texas (at the request of Mr. DELAY) for today on account of attending the funeral of the Hon. J.J. “Jake” Pickle.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. McDermott) to revise and extend their remarks and include extraneous material:

Mr. Reyes, for 5 minutes, today.

Mr. DeFazio, for 5 minutes, today.

Ms. Woolsey, for 5 minutes, today.

Mr. Emanuel, for 5 minutes, today.

Mr. McDermott, for 5 minutes, today.

Mr. Stupak, for 5 minutes, today.

The following Members (at the request of Mrs. DRAKE) to revise and extend their remarks and include extraneous material:

Mr. Norwood, for 5 minutes, June 23.

Mr. Gutknecht, for 5 minutes, June 29.

Mr. Weldon of Florida, for 5 minutes, today.

Mr. Terry, for 5 minutes, June 23.

Mr. Gingrey, for 5 minutes, today.

Mr. Garrett of New Jersey, for 5 minutes, June 23.

Mr. Ros-Lehtinen, for 5 minutes, today.

ADJOURNMENT

Mr. MEEK of Florida. Mr. Speaker, I move that the House do now adjourn. The motion was agreed to: accordingly (at 10 o’clock and 13 minutes p.m.), the House adjourned until tomorrow, Thursday, June 23, 2005, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker’s table and referred as follows:

2429. A letter from the White House Liaison, Department of Energy, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2430. A letter from the White House Liaison, Department of Energy, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2431. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2432. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2433. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2434. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2435. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2436. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2437. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2438. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2439. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2440. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2441. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2442. A letter from the White House Liaison, Department of Health and Human Services, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

2443. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the semiannual report on the activities of the Office of Inspector General for the period of October 1, 2004 through December 31, 2004, pursuant to section 146 of the Insp. Gen. Act (section 8G(h)(2); to the Committee on Government Reform.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:


Mr. Ney: Committee on House Administration. H.R. 1316. A bill to amend the Federal Election Campaign Act of 1971 to repeal the limits on the aggregate amount of campaign contributions that may be made by individuals during an election cycle, to repeal the limits on the aggregate amount of expenditures political parties may make on behalf of their candidates in general elections for Federal office, to allow State and local parties to make certain expenditures using nonfederal funds, to restore certain rights to exempt organizations under the Internal Revenue Code of 1986, and for other purposes; with an amendment (Rept.109-100). Referred to the Committee of the Whole House on the State of the Union.
PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SENSENBRNNER (for himself and Mr. CONVORS):
H.R. 3020. A bill to extend the existence of the Peace Commission, and for other purposes; to the Committee on the Judiciary.

By Mr. HERBER:
H.R. 3021. A bill to reauthorize the Temporary Assistance for Needy Families block grant program through September 30, 2005, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDREWS:
H.R. 3022. A bill to amend title XVIII of the Social Security Act to provide for eligibility for coverage of home health services under the Medicare Program on the basis of a need for occupational therapy; to the Committee on Ways and Means; and for other purposes; to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CASTLE:
H.R. 3023. A bill to suspend temporarily the duty on 2-amino-4-methoxy-6-methyl-1,3,5-triazine; to the Committee on Ways and Means.

By Mr. CASTLE:
H.R. 3024. A bill to suspend temporarily the duty on 6-methyl-2-(4-methoxy-3-methyl-1,3,5-triazin-2-yl)benzenesulfonamide and application adjuvants; to the Committee on Ways and Means.

By Mr. CASTLE:
H.R. 3025. A bill to extend the suspension of duty on 2-amino-4-methoxy-6-methyl-1,3,5-triazine; to the Committee on Ways and Means.

By Mr. CASTLE:
H.R. 3026. A bill to suspend temporarily the duty on dimethoxypropyrimidin-2-yl)amino[carbonoyl]-3-ethsulfonyl-2-pyrindinesulfonylamine and application adjuvants; to the Committee on Ways and Means.

By Mr. EVERETT:
H.R. 3031. A bill to require the advance disclosure to shareholders of certain executive pension plans; to the Committee on Financial Services.

By Mr. GENE GREEN of Texas (for himself and Mr. GONZALEZ):
H.R. 3032. A bill to require manufacturers and retailers to provide disclosure to consumers that analog televisions will no longer receive broadcast transmissions after the public broadcast spectrum changes to digital after December 31, 2006; to the Committee on Energy and Commerce.

By Mr. HERBER:
H.R. 3033. A bill to extend the temporary reduction in duty on certain educational devices; to the Committee on Ways and Means; and for other purposes; to the Committee on the Judiciary.

By Mr. PAYNE, Mr. BUTTERFIELD, Mr. LEWIS of Georgia, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WATT, Ms. CORRINE BROWN of Florida, Mr. VAN HOLLEN, Ms. NORTON, Mr. CUMMINGS, Ms. MEeks of New York, Mr. LANTOS, Mr. JEFFERSON of Texas, Mr. RUCKER, Mr. CARDIN, Ms. LINDA T. SANCHEZ of California, Mr. WYNN, Mr. WEXLER, Ms. WATSON, and Ms. WATERST.
H.R. 3034. A bill to require research and education with respect to uterine fibroids, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DANIEL E. LUNGGREN of California:
H.R. 3035. A bill to establish streamlined procedures for review of mixed petitions, amendments, and defaulted claims, and for other purposes; to the Committee on the Judiciary.

By Mr. PAUL (for himself, Mr. FARR, Mr. McDermott, Mr. STARK, and Mr. GRIJALVA):
H.R. 3036. A bill to amend the Controlled Substances Act to exclude industrial hemp from the definition of marihuana, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MATHESON:
H.R. 3037. A bill to amend the Elementary and Secondary Education Act of 1965 with respect to teacher qualifications, and for other purposes; to the Committee on Education and the Workforce.

By Mr. PAUL (for himself, Mr. FARR, Mr. McDermott, Mr. STARK, and Mr. GRIJALVA):
H.R. 3038. A bill to amend the Controlled Substances Act to exclude industrial hemp from the definition of marihuana, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHIFF (for himself, Mr. UDALL of Colorado, and Mr. OWENS):
H.R. 3038. A bill to affirm the authority of the executive branch to detain foreign nationals as unlawful combatants, to enable a person detained as an unlawful combatant to challenge the basis for that detention and to receive a disposition within 2 years, to provide for the President to establish military tribunals to try such persons, and for other purposes; to the Committee on Armed Services, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SENSENBRNNER (for himself and Mr. CONVORS):
H.R. 3039. A bill to enact title 51, United States Code, "National and Commercial Space Programs"; as positive law; to the Committee on the Judiciary.

By Mr. SNYDER (for himself, Mr. ALLEN, Ms. JACKSON-LEE of Texas, Mr. OWENS, Mr. SANDERS, Mr. McDermott, Mr. ROSS, Mr. HINCHY, Mrs. COTCHETT, and Mr. BERRY):
H.R. 3040. A bill to amend titles XIX and XXI of the Social Security Act to permit States to cover low-income youth up to age 21 for the Medicare Program on the basis of a need for coverage of home health services under the Medicare Program.

By Mr. THOMPSON of Mississippi (for himself, Mr. ZOE LOROFEN of California, Mr. Michel of Florida, Ms. NORTON, Mr. MARKEY, Mr. LANGevin, and Ms. JACKSON-LEE of Texas):

By Mr. WEINER:
H.R. 3042. A bill to require States to report data on Medicare beneficiaries who are employed; to the Committee on Energy and Commerce.

By Mr. SKELTTON (for himself and Ms. HARMAN):
H. Con. Res. 184. Concurrent resolution expressing the sense of Congress regarding additional steps to expedite the success of the United States in Iraq, and for other purposes; to the Committee on Armed Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GOODLATTE (for himself, Mr. PETERSON of Minnesota, Mr. WALDEN of Oregon, Mr. GUTNECHT, and Mr. JENKINS):
H. Con. Res. 185. Concurrent resolution recognizing the Forest Service of the Department of Agriculture for 100 years of dedicated service and caring for the forest lands of the United States; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GOODE (for himself, Mr. Jones of North Carolina, Mr. CARBONI of New York, Mr. MEEK of Florida, Ms. NORRISON, Mr. MARKEY, Mr. LANGEVIN, and Mr. TAYLOR of North Carolina):
H. Con. Res. 186. Concurrent resolution expressing the sense of Congress that the President should provide a notice of withdrawal of the United States from the North American Free Trade Agreement (NAFTA); to the Committee on Ways and Means.

By Ms. ROS-LEHTINEN (for herself and Mr. ACKERMANN):
H. Con. Res. 187. Concurrent resolution expressing the sense of Congress concerning Uzbekistan; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 18: Mr. GOODE.
H.R. 23: Mr. KENNEDY of Rhode Island.
H.R. 42: Ms. GINNY BROWN-WAITE of Florida.
H.R. 49: Mr. GELLA.
H.R. 63: Ms. DEGETTE, Mr. FORD, Mr. SERRANO, Ms. SOLIS, Mrs. JONES of Ohio, and Mr. EMANUEL.
H.R. 96: Mr. TOM DAVIS of Virginia and Mrs. KELLY.
H.R. 110: Mr. MOORE of Kansas.
the following: "Provided further. That, of the funds made available under this heading, $11,100,000 is for carrying out subpart 6 of part D of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7251 et seq.) (relating to gifted and talented students)".

H.R. 3010
OFFERED BY: Mr. Poe

AMENDMENT No. 6: In title II, in the item relating to "NATIONAL INSTITUTES OF HEALTH—NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT", insert after the dollar amount the following: "(reduced by $175,000) (increased by $175,000)".

H.R. 3010

OFFERED BY: Mr. Hefley

AMENDMENT No. 7: At the end of the bill, insert after the last section (preceding the short title) the following section:

SEC. 5. Of the amounts made available under title IV for the account "CORPORATION FOR PUBLIC BROADCASTING", $40,000,000 is transferred and made available under title II as an additional amount for the account "NATIONAL INSTITUTES OF HEALTH—OFFICE OF THE DIRECTOR".

H.R. 3010

OFFERED BY: Mr. Filner

AMENDMENT No. 8: At the end of the bill (before the short title), insert the following:

SEC. 5. None of the funds made available in this Act may be used to place social security account numbers on identification cards issued to beneficiaries under the Medicare program under title XVIII of the Social Security Act.

H.R. 3010

OFFERED BY: Mr. Poe

AMENDMENT No. 9: Page 29, line 6, insert after the dollar amount the following: "(increased by $11,200,000)"

H.R. 3010

OFFERED BY: Mr. Flake

AMENDMENT No. 10: At the end of the bill (before the short title), insert the following:

SEC. 5. None of the funds made available in this Act may be used to place social security account numbers on identification cards issued to beneficiaries under the Medicare program under title XVIII of the Social Security Act.

H.R. 3010

OFFERED BY: Mr. Paul

AMENDMENT No. 11: At the end of the bill (before the short title), insert the following:

SEC. 5. None of the funds made available in this Act may be used to place social security account numbers on identification cards issued to beneficiaries under the Medicare program under title XVIII of the Social Security Act.

H.R. 3010

OFFERED BY: Mr. Strahms

AMENDMENT No. 12: Page 22, line 2, insert "(increased by $10,000,000)" after "$1,943,841,000"

Page 22, line 8, insert "(increased by $1,000,000)" after "$1,066,381,000"

Page 22, line 12, insert "(increased by $9,000,000)" after "$20,500,000"

Page 22, line 19, insert "(reduced by $10,000,000)" after "$523,087,000"

Page 22, line 12, insert "(reduced by $10,000,000)" after "$270,000,000"

H.R. 3010

OFFERED BY: Mrs. Johnson of Connecticut

AMENDMENT No. 13: Page 25, line 16, insert "(increased by $10,802,000)" after "$6,446,357,000"

Page 28, line 7, insert "(reduced by $10,802,000)" after "$6,446,357,000"

Page 25, line 4, insert "(reduced by $10,802,000)" after "$310,000,000"

Page 27, line 15, insert "(increased by $10,802,000)" after "$310,000,000"

Page 27, line 15, insert "(increased by $10,802,000)" after "$9,000,000"

Page 27, line 15, insert "(increased by $10,802,000)" after "$1,984,000"

Page 27, line 15, insert "(increased by $10,802,000)" after "$6,446,357,000"

Page 29, line 1, insert "(reduced by $11,200,000)" after "$38,000,000"

Page 29, line 1, insert "(reduced by $1,000,000)" after "$6,446,357,000"

Page 29, line 1, insert "(reduced by $1,000,000)" after "$5,945,991,000"

Page 34, line 15, insert "Provided further. That, of the funds otherwise provided in this Act, $11,200,000 shall be made available for the health reform program.

H.R. 3010

OFFERED BY: Mr. Nadler

AMENDMENT No. 20: Page 89, line 8, insert "(increased by $35,600,000)" after "(increased by $35,600,000)"

In title III in the item relating to "DEPARTMENTAL MANAGEMENT PROGRAMS", after the aggregate dollar amount, insert "(increased by $35,600,000)"

H.R. 3010

OFFERED BY: Ms. Bordallo

AMENDMENT No. 21: Page 108, line 21, insert the following section:

SEC. 5. Amounts made available under this Act for the administrative and related expenses for departmental management for the Department of Labor, the Department of Health and Human Services, and the Department of Education shall be reduced on a prorata basis by $211,000,000.

H.R. 3010

OFFERED BY: Mr. Peterson of Pennsylvania

AMENDMENT No. 22: Page 16, line 4, insert after the dollar amount the following: "(reduced by $37,336,000)"

Page 25, line 16, insert after the dollar amount the following: "(increased by $37,336,000)"

H.R. 3010

OFFERED BY: Mrs. Johnson of Connecticut

AMENDMENT No. 23: Page 25, line 16, insert "(increased by $11,200,000)" after "$6,446,357,000"

Page 29, line 1, insert "(reduced by $11,200,000)" after "$5,945,991,000"

Page 57, line 15, insert "Provided further. That, of the funds otherwise provided in this Act, $11,200,000 shall be made available for the health community access program after "public office.

H.R. 3010

OFFERED BY: Mr. Poe

AMENDMENT No. 24: In title III in the item relating to "DEPARTMENTAL MANAGEMENT PROGRAMS", after the aggregate dollar amount, insert "(increased by $35,600,000)"

In title III in the item relating to "DEPARTMENTAL MANAGEMENT PROGRAMS", after the aggregate dollar amount, insert "(increased by $35,600,000)"

H.R. 3010

OFFERED BY: Mr. Poe

AMENDMENT No. 25: At the end of the bill (before the short title), insert the following:

SEC. 5. None of the funds made available in this Act may be used to place social security account numbers on identification cards issued to beneficiaries under the Medicare program under title XVIII of the Social Security Act.
The Senate met at 9:30 a.m. and was called to order by the Honorable SAM BROWNBACK, a Senator from the State of Kansas.

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

Let us pray.

Wondrous sovereign God, thank You for the gift of another sunrise. We trust in Your unfailing love and rejoice in Your salvation. Your words are right and true; Your plans stand firm forever. Lord, rule our world by Your wise providence.

As the Members of this Congress investigate and legislate, help them to hate the false and cling to the truth. Give them the wisdom to guard their lips and weigh their words. Guide them with righteousness and integrity. May they leave such a legacy of excellence that generations to come will be inspired by what they do now. Remind them of Your precepts, even through the watches of the night.

Let us pray.

Wondrous sovereign God, thank You for the gift of another sunrise. We trust in Your unfailing love and rejoice in Your salvation. Your words are right and true; Your plans stand firm forever. Lord, rule our world by Your wise providence.

As the Members of this Congress investigate and legislate, help them to hate the false and cling to the truth. Give them the wisdom to guard their lips and weigh their words. Guide them with righteousness and integrity. May they leave such a legacy of excellence that generations to come will be inspired by what they do now. Remind them of Your precepts, even through the watches of the night.

YOU are our help and our shield, and we wait in hope for You. Amen.

PLEDGE OF ALLEGIANCE
The Honorable SAM BROWNBACK led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE
The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Stevens).

The legislative clerk read the following letter:


To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable SAM BROWNBACK, a Senator from the State of Kansas, to perform the duties of the Chair.

TED STEVENS, President pro tempore.

Mr. BROWNBACK thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER
The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE
Mr. FRIST. Mr. President, this morning we will return to the Energy bill with the lineup of amendments that was agreed to last night. Under that order, Senator FEINSTEIN will go first with her amendment relating to LNG. That will be considered under a 60-minute time limitation. Following that debate, Senator BYRD will offer an amendment related to rural gas prices. In addition to those amendments, we have several others who are prepared to offer amendments if time is available this morning. During this morning’s debate, we will determine if we will vote after the discussion of each amendment or if we will stack a vote or two together. Senators should expect the first vote to occur prior to noon today.

Also, last night, we reached an agreement to spend 3 hours for debate on the McCain-Lieberman amendment on climate change. We expect to resume that amendment around midday, around noon today.

Finally, I remind everyone that cloture was filed last night on the underlying Energy bill, and thus that cloture vote would occur Thursday morning. We expect that cloture will be invoked, and we will be voting on final passage of the Energy bill before we close for the week. We will follow the Energy bill with most probably Interior appropriations. We plan on doing two appropriations bills before we leave for the recess.

As a reminder to our colleagues, under rule XXII, first-degree amendments must be filed by 1 p.m. today. We will have a busy day today, likely go well into the evening. We will have votes over the course of the day as we bring the bill to a final vote hopefully tomorrow.

ASSISTANT DEMOCRATIC LEADER’S APOLOGY
Mr. FRIST. Last night, we all listened to the statement of the assistant Democratic leader in which he addressed comments made a week ago that had equated our U.S. military actions in Guantanamo to Nazi death camps, Soviet gulags, and Pol Pot’s killing fields. My colleagues and I had urged the Senator to issue a formal apology and to strike his remarks from the RECORD. We asked his fellow Democrats to denounce his remarks or at least to distance themselves from those remarks.

Last night, he apologized. We appreciate that and we respect that. It was the right thing to do. It was the right thing to do for this body and I believe for our troops overseas. Why? Because over the course of the day’s proceeding of the apology, damage was being done. Intended or not, damage was being done. It was being done by giving voices at Al Jazeera more cause to gleefully repeat those charges around the world. We believe damage was being done to our men and women in uniform, not intended but the damage was being done.

With our troops in harm’s way all around the globe and in an era where information flashes literally in seconds from one side of the world to the other, we all must be careful about what we say and how we say it. If what we say is not intended, then we need to correct it early on. It is a lesson we all
learn over and over again. I have certainly made my share of verbal mistakes and missteps over the years.

So last night’s statement from Senator DURBIN both honored our troops and recognized the sacrifices of those who lived and died under the grim systems of Soviet repression, and Cambodian genocide. That is right, fine, and worthy. Senator DURBIN took an honorable step yesterday afternoon. I look forward to working with our colleague from Illinois as we move forward in the days and weeks ahead. I yield the floor.

RECOGNITION OF THE MINORITY LEADER

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

JOHN BOLTON NOMINATION

Mr. REID. Mr. President, yesterday at the White House it was reported that President Bush told Republican leaders to keep fighting to get Mr. Bolton’s nomination be U.N. ambassador, an up-or-down vote. Keep fighting—that was the message delivered by the President.

I understand the need for an occasional pep rally to bolster discouraged members of his party, but the American people are tired of the fighting and the bickering. They want us to tackle the hard issues confronting this country and deal with the crisis in health care where 45 million people have no health insurance and millions of others are underinsured, to deal with education, the ability of parents to send their children to college and then the deteriorating nature of our public school system, part of which is directly related to the Leave No Child Behind Act. We are approaching 1,900 dead American soldiers in the war in Iraq. We are approaching 20,000 who have been wounded. We do not know the exact number of Iraqis who are dead, but it is well over 100,000.

Of course, we have the President’s ongoing direction to privatize Social Security. He has not directed his attention at all, as we should, to retirement security. United Airlines basically defaulted on their pension obligations to their employees. Delta, Northwest, other airlines, and other companies are standing by. Unless they get help from the Congress, they too will default on their obligations to their employees’ retirement programs.

They, the White House, want the John Bolton matter resolved. It can be resolved easily and quickly in two ways. First, the President can take the advice of the distinguished Republican, the Senator from Ohio, Mr. VOINOVICH, and offer a new nominee. Over the course of the Foreign Relations Committee hearings, it became quite clear that John Bolton is simply not the right man for this most important job.

John Bolton has attempted to manipulate intelligence, intimidate intelligence analysts, and has shown outright disdain for the international system and the institution for which he was nominated to serve.

This administration would have everyone believe Mr. Bolton is the only man capable of delivering the reform message to the United Nations. We all agree that the United Nations needs reform, but I would submit that there are dozens, scores of tough reformers who could be confirmed rapidly with broad bipartisan support.

We have quickly approved the White House’s two previous selections to this post, Negroponte and Danforth, and we are prepared to do so again.

When Senator Danforth decided to step down as our Representative to the United Nations, the administration had a choice to make: Did it want to pick someone along the lines of its two previous nominees who could have been quickly confirmed and on the job fixing the U.N. or did it want a fight in the Senate? It appears a fight was more in line with what they felt was appropriate.

Unfortunately, the administration, as I have said, knowingly chose a fight. They were told prior to sending his name to the Senate that it was a problem. The White House’s choice and subsequent actions demonstrate that reform in Washington is needed as much as it is at the United Nations.

If the administration does not want to withdraw Mr. Bolton’s nomination, and that appears to be clear, there is another path. It can take the advice of former majority leader TRENT LOTT, who said yesterday on Fox News that the administration should provide the information that has been requested by the Senate. This is Senator LOTT saying this, not me, even though I have said it also. Speaking to Fox News, the Senator further said: My colleagues have a right to know that information. . . . I think the [Administration] ought to give the [Senate] the information.

The distinguished Senator from Mississippi, my friend, also went on to say what this fight is really all about:

We are saying to the White House, we’re a coequal branch of government here, other Senators have done this in the past, we’re seeking the information which we have a right to . . .

That is also a view shared by the Republican Senator from Rhode Island who sits on the committee, LINCOLN CHAFEE, who, when asked whether the White House provided the information about Mr. Bolton, said, as he usually does, in very short, concise statements: “I like full disclosure.”

Full disclosure is exactly what we need. We should shed light on whether this nominee tried to stretch the truth about weapons of mass destruction programs, and it should explain why Mr. Bolton needed to see what he was saying about him in these NSA intercepts.

The legistative clerk read as follows:

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

ENERGY POLICY ACT OF 2005

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 6, which the clerk will report.

The legislative clerk read as follows:

Wyden/Dorgan amendment No. 792, to provide for the suspension of strategic petroleum reserve acquisitions. Sen. Chuck Schumer amendment No. 865, to express the sense of the Senate regarding management of the Strategic Petroleum Reserve to lower the burden of gasoline prices on the economy of the United States and circumvent the efforts of OPEC to reap windfall profits. McCain/Lieberman amendment No. 836, to provide for a program to accelerate the reduction of greenhouse gas emissions in the United States. Reid (for Lautenberg) amendment No. 839, to require any Federal agency that publishes a science-based climate change document that was significantly altered at White House request to make an unaltered final draft of the document publicly available for comparison.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate from California, Mrs. FEINSTEIN, will be recognized to offer an amendment in relation to LNG.

The Senator from California.

AMENDMENT NO. 841

Mrs. FEINSTEIN. Mr. President, I call up amendment No. 841.

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself and Ms. SNOWE, Mr. REED, Mr. SESSIONS, Mr. KENNEDY, Ms. COLLINS,
The Energy bill would give the Federal Energy Regulatory Commission, known as FERC, exclusive authority over siting onshore liquefied natural gas facilities. Our amendment would provide each State’s Governor the same authority to veto, approve, or attach conditions to onshore liquefied natural gas facilities as they now have with respect to offshore liquefied natural gas facilities. This amendment is not concurrent siting. It does not require the applicant duplicate the application process, nor does it add additional time and money to the entire process. If the Governor disapproves the project, the Governors will have 45 days to approve, veto, or attach conditions to a project after FERC issues its final environmental impact statement.

This chart, I think, says it all. Increased demand for LNG means we need new natural gas supplies, and liquefied natural gas is one of the options available to us. Let me be clear. I do not oppose liquefied natural gas sites in California. Liquefied natural gas is clean energy and it is less costly than other forms.

What this chart shows is there are 34 potential sites for liquefied natural gas. Those are the blue circles, clustered around the gulf, off of Florida, off of the northeast coast, off of California, and one in the Pacific Northwest. It points out that eight sites in the United States have already been approved by FERC. It shows three are approved for Mexico, two are approved for Canada, and there are five existing sites at this time. Clearly this Nation is on its way to using liquefied natural gas.

The United States holds less than 4 percent of total world reserves, and California produces less than 15 percent of the natural gas it consumes, so if there is to be this form of clean energy, it must be imported. That is why Governor Schwarzenegger, the California Public Utilities Commission, the California Energy Commission, and the State Governors Association, all agree with the Governors of California, Massachusetts, Rhode Island, New Jersey, and Delaware, who stated in a letter dated May 25, that:

Without State jurisdiction, there is no guarantee that natural gas supplies and that LNG terminals may help put downward pressure on increasing natural gas prices.

The chairman and ranking member of the Energy Committee believe FERC should have the final say over siting LNG terminals. On the other hand, we agree with the Governors of California, Massachusetts, Louisiana, Rhode Island, New Jersey, and Delaware, who stated in a letter dated May 25, that: Without State jurisdiction, there is no guarantee that consistent with the homeland security or environmental requirements for a particular locality, or whether the project adequately addresses the environmental requirements for the respective State or region. We support legislation that would provide for concurrent State and Federal jurisdiction over LNG and other energy facilities.

We would welcome the opportunity to work with you, the Congress, to develop a permitting process that balances the need for increased energy production with the maintenance of a robust role for states and local governments. In the meantime, we urge you to maintain the common sense measures that allow those most directly affected to have a voice in the siting of energy facilities.
There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS ASSOCIATION

Hon. PETE DOMENICI, Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Hon. JEFF BINGAMAN, Ranking Member, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR CHAIRMAN DOMENICI AND RANKING MEMBER BINGAMAN: On behalf of the National Governors Association, I write to you to support the Feinstein/Smoffe/Reed Amendments to the Energy Policy Act of 2005 on the siting of liquefied natural gas (LNG) facilities. As stewards of state resources, governors must have the authority to determine what is in the best interest of their state. This modification recognizes the critical role governors play within their states, as well as within a national energy policy, while avoiding an unnecessary pre-emption of state authority.

Governors recognize the importance of a comprehensive energy policy and support the promotion of a diverse and reliable portfolio of energy sources. However, any national energy policy must also recognize the authority of states in decision-making and not allow for the federal pre-emption of that authority. This policy extends to the siting of LNG facilities on state land or in state waters. Given the impact any proposed energy project can have on state and local resources, economy and infrastructure, governors must have the ability to review those impacts and approve or reject LNG projects that fall under state jurisdiction.

The bipartisan amendment offered by Senators Feinstein, Reed, and Sessions would give gubernatorial approval of any application regarding the siting of LNG facilities located onshore or in state waters, thus providing concurrent jurisdiction over these projects. This is the same authority granted to governors under the Deepwater Ports Act of 1974 for offshore projects and it is reasonable to request the same authority for projects that could have an even greater impact on states. Therefore, the governors urge that this amendment be signed into law to retain state authority while promoting a diverse national energy policy.

Governors commend both of you for your leadership in the effort to enact a new national energy policy and look forward to working with you as the legislation continues to move through Congress.

Sincerely,

RAYMOND C. SCHIFFPACH, Executive Director.

Mrs. FEINSTEIN. States will be responsible for the safety of these facilities after they are sited. That is why it is so important to preserve the rights of the States to participate in the process to determine where these facilities should be located. For LNG facilities that are being sited onshore, the Governor has the right to approve or veto a project now, yet this bill gives the State less input for facilities that are located on shore, in our busy ports, and near closely packed communities. This is completely illogical to me. It simply does not make sense. To give the Governor the veto power over a deepwater port more than 3 miles from land, and yet refuse to give that Governor any veto power over a site that might be located in the heart of the densest metropolitan areas of our country is completely illogical.

In a conversation I had recently, last week, with Chairman Pat Wood of the Federal Energy Regulatory Commission, he said even if the Federal Government sits an LNG facility, it would not be built as long as a Governor opposed it. If that is in fact the case, then why would a Governor of a State the necessary authority?

Let me explain how this works. Under the Deep Water Port Act, which was amended in 2002 to regulate the process for siting offshore, an LNG terminal that is located in Federal waters beyond the 3 miles of the State’s territorial waters must be approved by the Federal Government, the U.S. Coast Guard, the U.S. Maritime Administration, and the Governor of the adjacent coastal State.

Under the pending Energy bill, the Governor would have no veto authority for siting onshore LNG terminals. In other words, if the Governor of California was opposed to an LNG terminal anywhere else were to decide an LNG terminal posed too great a safety risk to the 400,000 people living close—let’s say to the Port of Long Beach; that is the only proposed onshore project in California—then the Governor would have no authority, the State would have no authority to veto that project. But if that same project were located offshore, more than 3 miles away from the Port of Long Beach, the Governor would be able to veto it. That is nonsensical, in my view.

Some of my colleagues will argue that States already have a veto over the Coastal Zone Management Act. However, I have received a letter from Chairman Wood that says in fact the State does not have a veto authority under this law. In a letter to me dated June 15, Chairman Wood states that: (F)ollowing a consistency determination by a State, the Secretary of Commerce can, on his own initiative or upon appeal by the applicant, find that the proposed project is not consistent with the policies of the Coastal Zone Management Act or is otherwise necessary in the interests of national security.

What does this mean? That means if the State were to find that the onshore LNG terminal would negatively impact the State’s coastline, the Secretary of Commerce could take it upon himself to overturn that decision. Clearly, this removes any State authority.

I ask unanimous consent to have a series of letters that I have exchanged with the Chairman of FERC printed in the RECORD.

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

JUNE 14, 2005.

Hon. DIANNE FEINSTEIN, U.S. Senator, Washington, DC.

DEAR SENATOR FEINSTEIN: As a follow-up to our discussion on Friday, June 10, 2005, enclosed is a description of how states, under the Coastal Zone Management Act, the Clean Air Act and the Federal Water Pollution Control Act (Clean Water Act), can in effect maintain current state “veto” authority over proposed LNG projects. While the bill appropriately clarifies the Federal Energy Regulatory Commission’s exclusive authority to site LNG facilities that are onshore or in state waters, section 381 also specifically reserves state authorities under the Coastal Zone Management Act, the Clean Air Act and the Clean Water Act. As we discussed, state implementation of these Acts gives states a means to in effect “veto” proposed LNG projects. With the single exception of the Texas Railroad Commission, which is elected, every coastal state agency that administers these Acts, including those agencies in California, are headed by gubernatorial appointees. Therefore, the current chairs of the administering agencies in California were appointed by Governor Schwarzenegger.

If you need further assistance in this or any other matter, please don’t hesitate to contact me.

Best regards,

PAT WOOD, III, Chairman.

Enclosures.

STATES’ ROLES IN ADMINISTERING FEDERAL LAWS

CLEAN WATER ACT

Pursuant to section 401 of the Clean Water Act, 33 U.S.C. 1341, an applicant for a federal license or permit to conduct any activity (including construction and operation) which may result in any discharge into navigable waters must provide the licensing or permitting agency a certification from the state in which the discharge originates or will originate that the certification is denied, no license or permit can be granted. We are aware of no instance in which a proposed LNG project does not involve a discharge requiring certification.

In addition, section 404 of the Clean Water Act, 33 U.S.C. 1344, requires permits from the U.S. Corps of Engineers for the discharge of dredged or fill material. In considering such permit applications, the Corps require applicants to obtain a section 401 permit, giving the state the two opportunities under the Clean Water Act to block LNG projects. Again, we are aware of no LNG project that does not require a section 401 permit.

Thus, if a state denies Clean Water Act certification for an LNG project, the Commission and the Corps cannot authorize construction of the project.

COASTAL ZONE MANAGEMENT ACT

Section 307(c) of the Coastal Zone Management Act, 16 U.S.C. 1456(c), requires an applicant for a federal license or permit to conduct any activity affecting existing state land or water to provide to the licensing or permitting agency a certification that the proposed activity complies with the enforceable policies of the administering state’s comprehensive management program. If the state does not concur with the certification, no federal license or permit may be issued. LNG import or export permits and new LNG projects are a prime example. In consequence, if a state does not concur with a certification by an LNG project proponent,
Hon. PAT WOOD, III, Chairman, Federal Energy Regulatory Commission, Washington, DC.

Dear Chairman Wood: Thank you for your letter detailing how the States can, in effect, "veto" an LNG project over a state decision barring an LNG project is overturned, the Commission cannot authorize construction of the project.

If I may be of further assistance in this or any other matter, please don't hesitate to contact me.

Best regards,

PAT WOODS, III, Chairman.

Mrs. FEINSTEIN, Mr. President, that is why my colleagues and I are offering this amendment today, to provide States with a real veto authority if a project were to violate the State's environmental protection and water use, public health and safety, and coastal zone management laws. In this post-9/11 world, I think we have to look a little differently at the siting of all facilities, and especially the specific risk that LNG terminals pose. A December 2004 report by Sandia National Laboratories concluded that LNG tankers could, in fact, be a potential terrorist target. If the worst case scenario were to occur, a tanker could in fact spill liquefied natural gas that, in about 30 seconds, could set off a fire that would cause second-degree burns on people nearly a mile away.

I admit this is a small probability. Nonetheless, it is such, and therefore it has to be considered. In siting these terminals, that factor is a factor of relevant consideration. That is why this amendment is so important. States must have a role in siting LNG facilities in order to protect the welfare of their citizens.

Out of the 40 proposed LNG terminals in this Nation, the FERC believes only a dozen will actually be built. Since Governors have the responsibility of ensuring the safety of their constituents, it makes sense to me to allow the States to have a significant role in the siting of these facilities. If there are other options besides putting these facilities in busy ports or near population centers, they should be sited where they pose the least danger to people, not just where they make the most economic sense. Therefore, we present this amendment to the bill.

Mr. President, I reserve the remainder of my time and I turn the floor over to Senator KENNEDY for as much time as he consumes.

The ACTING PRESIDENT pro tem, Mr. President, that is why my colleagues and I are offering this amendment today, to provide States with a real veto authority if a project were to violate the State's environmental protection and water use, public health and safety, and coastal zone management laws. In this post-9/11 world, I think we have to look a little differently at the siting of all facilities, and especially the specific risk that LNG terminals pose. A December 2004 report by Sandia National Laboratories concluded that LNG tankers could, in fact, be a potential terrorist target. If the worst case scenario were to occur, a tanker could in fact spill liquefied natural gas that, in about 30 seconds, could set off a fire that would cause second-degree burns on people nearly a mile away.

I admit this is a small probability. Nonetheless, it is such, and therefore it has to be considered. In siting these terminals, that factor is a factor of relevant consideration. That is why this amendment is so important. States must have a role in siting LNG facilities in order to protect the welfare of their citizens.

Out of the 40 proposed LNG terminals in this Nation, the FERC believes only a dozen will actually be built. Since Governors have the responsibility of ensuring the safety of their constituents, it makes sense to me to allow the States to have a significant role in the siting of these facilities. If there are other options besides putting these facilities in busy ports or near population centers, they should be sited where they pose the least danger to people, not just where they make the most economic sense. Therefore, we present this amendment to the bill.

Mr. President, I reserve the remainder of my time and I turn the floor over to Senator KENNEDY for as much time as he consumes.

The ACTING PRESIDENT pro tem, Mr. President, that is why my colleagues and I are offering this amendment today, to provide States with a real veto authority if a project were to violate the State's environmental protection and water use, public health and safety, and coastal zone management laws. In this post-9/11 world, I think we have to look a little differently at the siting of all facilities, and especially the specific risk that LNG terminals pose. A December 2004 report by Sandia National Laboratories concluded that LNG tankers could, in fact, be a potential terrorist target. If the worst case scenario were to occur, a tanker could in fact spill liquefied natural gas that, in about 30 seconds, could set off a fire that would cause second-degree burns on people nearly a mile away.

I admit this is a small probability. Nonetheless, it is such, and therefore it has to be considered. In siting these terminals, that factor is a factor of relevant consideration. That is why this amendment is so important. States must have a role in siting LNG facilities in order to protect the welfare of their citizens.

Out of the 40 proposed LNG terminals in this Nation, the FERC believes only a dozen will actually be built. Since Governors have the responsibility of ensuring the safety of their constituents, it makes sense to me to allow the States to have a significant role in the siting of these facilities. If there are other options besides putting these facilities in busy ports or near population centers, they should be sited where they pose the least danger to people, not just where they make the most economic sense. Therefore, we present this amendment to the bill.
Mr. KENNEDY. Mr. President, I yield myself 7 minutes, if that is agreeable with the Senator from California.

Mrs. FEINSTEIN. It is.

SENROR DURBIN

Mr. KENNEDY. Mr. President, first I want to pay a very good friend, and that is Senator DURBIN. I have had the good opportunity and great honor of representing Massachusetts in the Senate now for over 40 years. I believe Senator DURBIN is one of the most gifted, talented, able, and dedicated Members of the Senate with whom I have had the opportunity to serve. I believe he has a great love for this country, a great respect for the Senate, and a great love for his State of Illinois. I think every morning when he rises, he is looking out for the struggling middle class and the working families of this country. I have enormous respect for his dedication and his commitment to those who serve in the Armed Forces.

Mr. President, I congratulate and thank my friend and colleague from California for offering this amendment. I rise in strong support of this amendment. She has made a very compelling case. It is important to note some additional points to what I think is a very persuasive, commonsense approach to the whole issue of LNG.

I support the development of LNG. She has placed her finger on the most important aspects of it. We need it as a country. It ought to be embraced and expanded and supported. But at least the issues of safety and security ought to be able to be presented to the decision making bodies in this Government. Too often that has not received the consideration it deserves.

I want to add that at this moment, although I think this Energy bill moves us forward on many issues—from the new incentives for energy conservation, to expanding our portfolio of renewable electricity—it has no clear plan for energy independence and it fails to provide needed relief from the high gas prices that are slowing our economy and that are being paid for by families all across this country. Millions of American households face a genuine energy crisis because of gas prices which are at their highest levels in years. The national level now is $2.13 a gallon, and in Massachusetts the price of regular gasoline is 24 percent higher than in 2001. We should explore all options for lowering gas prices immediately, including a more rigorous investigation of price gouging at the pump.

Our dependence on foreign oil is an all across our neck. The technology is there to rapidly reduce imports of foreign oil by making greater investments in solar and hydroelectric and other renewable energy sources. Success is within our reach if we set a clear target.

That is why I gave strong support to Senator CANTWELL, who offered the amendment to reduce our dependence on foreign oil by 40 percent in 20 years. I am disappointed it did not receive the full support of our colleagues on the other side of the aisle because reducing our dependence on foreign oil is an important part of a comprehensive national strategy to strengthen our economy and our communities.

As Senator FEINSTEIN mentioned, LNG is part of all of this energy debate and discussion. She has talked very compellingly about the safety issues. LNG, as has been pointed out, is a highly hazardous and explosive material, as its track record clearly shows. At 40 LNG facilities in the world, serious accidents have occurred at 13 of them since 1944. In 1944, an accident at a facility in the United States killed 128 people. An accident at the Algerian facility killed or injured over 100 people. A Sandia Lab report released in December confirms our worst fears: If an LNG tanker or facility catches fire, the lives of residents within a 1-mile radius would be endangered by the resulting explosion.

The United States has not built an LNG facility in an urban area in over 30 years. There are 32 proposals under consideration. One facility is in Weaver’s Cove at the mouth of the Taunton River in Fall River, MA, a city of 100,000. And your city could be next.

Let me point out what we are facing in Weaver’s Cove in Fall River. If you can see this chart, these small areas are homes. This circle represents 1 mile; 9,000 individuals live within that radius. Here is Somerset School. I one thousand children go to that school every single day. And the Algonquin School, which 165 students attend; St. Michael’s School, another 165 children go every single day.

To transport LNG to the proposed facility at Weaver’s Cove, also raises serious safety issues. A 33-million-gallon tanker has to travel 31 miles of coastline, through narrow waterways, along some of our most pristine areas, including Narragansett Bay, one of the most polluted estuaries in the United States. To reach the facility, the explosive liquefied natural gas would have to travel under five bridges, which are also likely targets for a terrorist attack.

Based on these facts, there is overwhelming opposition to the new facility in Fall River. The mayor of Fall River opposes it, as does the city council. The people of Fall River strongly oppose it. They are not against LNG, but there are 16,000 people living in this area. We are talking about the fact of moving this tanker up a narrow sealane for 31 miles.

Despite their pleas, FERC is moving forward with approval of the site. FERC has ignored repeated requests from the mayor, myself, and my colleague Senator KERRY to discuss the issue. The congressional delegation has appealed to Secretary Chertoff of the Homeland Security to visit this site and we hope he will soon.

This amendment, as the Senator has pointed out, gives the Governor of a State where the site is proposed a voice in the process. It creates a true Federal-State partnership. That is how we regulate the siting of other hazardous facilities. We need a responsible approach that makes sense in this new era where security must be a high priority. I hope this amendment will be accepted.

I thank the Senator from California. Mrs. FEINSTEIN, I thank the distinguished Senator from Massachusetts.

I yield 7 minutes to the Senator from Maine, Ms. SNOWE. Then I ask unanimous consent to yield 7 minutes to Senator REED from Rhode Island.

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

Ms. SNOWE. I thank Senator FEINSTEIN for yielding me time on this amendment. I have cosponsored this amendment because it is critical to involving States in the decisionmaking process of liquified natural gas terminal siting.

Natural gas, like renewable energy, should and will have a major place in our 21st century energy policy. Similar to my colleagues in the rural states, I have had concerns about the high cost of fuel. And similar to my colleagues in the northern states, I have heard the concerns of the outrageous cost of oil in relation to our winter heating costs. I recognize the importance of creating a national plan that ensures that both the supply of energy is increased and our demand for energy is curtailed.

It is critical, as the Feinstein-Snowe amendment presents, that we have a responsibility to make sure that at the dawn of the 21st century, we have the ability to select placement of liquified natural gas sites deliberately and with all the potential problems addressed. The only truly effective way of ensuring safety and effectiveness of LNG sites is to involve local concerns in the process. States simply need to have a role in deciding where the best LNG sites exist.

The Feinstein-Snowe legislation gives concurrent Federal and State jurisdiction for the siting of LNG facilities so that State governments are not preempted from the decisionmaking process for the location of future LNG facilities.

Let’s talk about the scale of these tankers. The placement of an LNG facility has profound effects in the local community environment, ecosystem, fishing industry, and residential communities that are intrinsically linked to the ocean. The decision to fundamentally change the nature of a coastal community in the placing of an LNG site should only be made by including all people in and all actors affected by the siting. This amendment ensures the State governments can provide insight into the location process.

My State of Maine has a coastline that is more than 5,000 miles long,
which is why there is great interest in siting LNG facilities at different locations along its coast. Over this past year in Maine, the controversial siting of LNG facilities has found both support and opposition, finding some residents supporting a substantial source of energy importation and revenue, and others opposed because of concern about a potential terrorist target, interference with the lobster industry, navigation and spoiling the coastal vistas and land values. Each community has had the opportunity to have their say through referenda. Each resident was able to cast a vote, whether yes or no, as to what he or she thought was best for their community and for their State.

I have had great concerns about handing this very siting decision solely over to a Federal agency and feel very strongly there should be a process in place where the Governor, speaking for the people of Maine, must have an equal say in local communities. They are entitled to put a voice to what happens in their own backyard. What has occurred in the various communities is a perfect example as to why States should be given a say in the sitings of these facilities. States simply must have input into such a major decision. We are not talking about the siting of a neighborhood ball park or a new Wal-Mart but a processing facility that totally alters the coastal landscape and a facility that needs to be fed LNG from 13-story-high tankers coming into the port each and every day.

In its current form, the Energy bill before the Senate gives exclusive authority to the Federal Energy Regulatory Commission in selecting LNG sites. This would effectively eliminate any input from State governments into the selection of these locations. Moving total control to FERC transfers an enormous power to an unelected Federal agency which has no accountability to the local communities affected. Without the amendment, local sentiments will go unheard or be simply ignored. To foist upon a State and a local community and to exclude them from the process is clearly unwise.

Within our Union of States, unique State concerns must be recognized in Federal Government decisions. It is the States rights issue, plain and simple. The placement of an LNG facility in a given location alters the landscape of that community. They are entitled to be involved in a decision-making process that allows the voices of the community to be heard.

Let us ensure that the safety, the environment, and local concerns are observed and that we include our State governments as coequals.

I ask my colleagues to join me in supporting the Feinstein-Snowe amendment. I thank the Senator from California for offering it. It is logical, knowing the experience that has occurred in Maine. With many communities having voiced their opinions on a particular siting for an LNG facility, it is important they are able to participate in the process. I do not believe we should allow the Federal Government to supercede the ability of people to ultimately make a decision that transforms the landscape that clearly does have a major impact on those communities. That is a decision that should be determined by the people in a particular State. That is what has been happening in my State. It should be able to happen and occur in each State in the country. We should not allow Federal legislation to supercede or to prevent States from being able to voice their opinions, their decisions, and their own regulations with respect to siting these facilities.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I rise to join Senator FEINSTEIN as a cosponsor of this amendment. My colleagues, Senator SNOWE, Senator SESSIONS, Senator KENNEDY, and many other cosponsors.

The siting of liquefied natural gas import terminals is a critical issue of importance. It is important to Rhode Island as the Federal Energy Regulatory Commission is considering two proposals: the KeySpan Energy proposal in Providence, RI, and a Weaver's Cove Energy proposal in Fall River, MA. Both of these have a huge impact on the people of Rhode Island.

LNG ships will have to transit Narragansett Bay to get to both of these facilities. The route of transit would be this way, coming off of Block Island Sound. It will pass between Newport, RI, and Jamestown, RI. Newport is one of the most populated cities in our region. It is densely populated. We all know it as a place of tourism and recreation. The boats, literally, would be within hundreds of yards of critical installations—hotels, hospitals, etc. Then it would move up, if it is going to Weaver's Cove in Fall River, this way, and would move up under several bridges until it got to the city of Fall River.

The KeySpan proposal would require the transit of a ship going up this way and then moving up around and all the way into Providence, RI, the most densely populated part of the State of Rhode Island. The concentration of people and, indeed, where all of these bay-side areas are being developed intensively.

This project poses serious risks to the State of Rhode Island and the State of Massachusetts. Therefore, it is incumbent we provide local authorities with the ability to effectively involve themselves in the decisionmaking process. We understand there are certain Federal laws that give authority to the State to participate in these decisions. Acts, the Clean Air Act, Coastal Zone Management Act—but none of them give the kind of clear involvement and clear leverage that State leaders need to effectively involve themselves in this decisionmaking.

Our amendment ensures that States have an authentic voice in the siting of LNG terminals by giving Governors the same authority to approve or disapprove onshore terminals that they now have over offshore terminals under the Deepwater Port Act.

It seems incongruous that Governors would have the authority to veto an offshore project but they have no meaningful involvement on onshore projects placed in the heart of urban areas.

Let me show you the impact this proposal will have on the city of Providence. The KeySpan proposal would be situated right here, as shown on this chart. Within a very short radius, we have our largest hospital in the State of Rhode Island, our major medical center. We have thousands of homes. We have the downtown business area. Anything that happened here would have catastrophic effects on the State of Rhode Island.

To say the Governor cannot take into consideration factors such as safety and security ignores the current situation we face as a nation. These are very attractive targets to those people who want to seriously harm us, both in a physical and an ideological sense. We have to provide, I believe, at the local level, a meaningful way for Governors to participate in the siting of these facilities.

Again, it is not just a situation where the State of Rhode Island does not want it in the particular area. We understand there is a need for liquefied natural gas. We understand it is becoming an increasingly more important component of our energy sector. But we have to have the ability to site it at safety issues and security issues.

This is particularly important after the report from the Sandia National Laboratories that said a terrorist attack on an LNG facility delivering LNG to a U.S. terminal could set off a fire so hot it would burn skin and damage buildings nearly a mile away. A mile from this facility encompasses huge swaths of Providence, RI, Cranston, RI, East Providence, RI, major medical facilities. This would be a devastating blow.

Now, the odds of such an attack, we hope, are very low, but the low odds, together with the huge consequences, suggest we have to be careful about where we have to. I believe, give our local leaders, our Governor particularly, the ability to participate in this approval process.

I am confident this amendment will do that. It will require FERC and other Federal agencies to work more closely with Governors and State environmental authorities and the first responder agencies that have firsthand knowledge of the geography and the population of these particular areas.

We want to bring more natural gas to our communities, but we do not want to jeopardize the safety and the security of our communities in a world...
today, regrettably but actually, very dangerous and very capable of these types of attacks on these types of facilities.

So I urge all of my colleagues to support Senator Feinstein. I thank her for her leadership. This is very typical of her very thoughtful review of this bill but particularly this aspect of LNG. I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I thank the Senator from Maine, the Senator from Rhode Island, and the Senator from Massachusetts for their comments. I believe that consumes the time I have; is that correct?

The PRESIDING OFFICER. The Senator has 1 minute.

Mrs. FEINSTEIN. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, parliamentary inquiry: How much time do we have in opposition to the amendment?

The PRESIDING OFFICER. The Senator has 30 minutes.

Mr. DOMENICI. Thirty minutes. I yield to the distinguished junior Senator from Tennessee 7 minutes to start our debate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. ALEXANDER. Mr. President, I thank the distinguished Senator from New Mexico and the Senator from California for her contribution to the debate.

Let me begin by saying what we are talking about here. Sometimes we jump into subjects assuming everybody knows what we are talking about and it is not altogether clear.

We are talking about bringing natural gas from other countries into the United States to put in our pipelines, which is then to be transported to be used in our industries, which it to make chemicals and cars and other things, such as our industry which makes fertilizers for our farmers, and to use it in our homes so we can heat and cool them.

We have a terrific problem with natural gas. There is a lot of talk about gasoline, a lot of speeches being made about the prices at the pump. That is by far not the biggest problem we have in the United States right now in terms of energy. Our biggest challenge is the price of natural gas.

Now, why is that? For example, down in Tennessee—I have used this example many times, but it sticks out vividly in my mind—there is a company called Eastman Chemical. They employ 10,000 or 12,000 people—blue-collar workers, white-collar workers. They have for three generations. Forty percent of their cost is natural gas to make chemicals. There are 1 million blue-collar workers just like that across our country.

The price of natural gas in the United States is at a record level. It has gone from the lowest in the industrialized world to the highest in the industrialized world at $7 a unit. If it stays there, more and more of those jobs are going to be in Germany and other places where it is cheaper. So if we do not bring the gas in, the jobs are going out.

Now, how can we get a greater supply of gas? The Domenici-Bingaman bill has everything in it to help do that, but most of it is over the long term. New nuclear power would help, but it will be for decarbonization with carbon sequestration would help, but it will be a few years. Oil savings will help. It will take a little while, too.

The only thing that is going to help right now is new supplies—and it is pretty hard to get that in the United States—conservation—that is really where we ought to start—and the only thing left is liquefied natural gas.

The experts—the American Gas Foundation—we bring in liquefied natural gas, the price of $7 a unit might go down. It might go down to $5 a unit. Those jobs might stay here. These farmers might not have such a big pay cut, and the homes might get a break. But if we do not bring in natural gas, which is a very small part of our supply right now—2, 3, 4 percent—if we do not bring it in, the price of natural gas may be $13 a unit.

That would be a crisis for this country. It will not matter what the price of gasoline is in this country. If the price of natural gas is $13 a unit, we will not have anybody with enough money to buy gasoline because they won't have any money. They won't have a job. Their job will go overseas.

Why are we not bringing in more liquefied natural gas? Because we need terminals to store it in before we put it in our pipes. We only have four. We need a few more. We have 31 applications for those onshore and offshore. But we have a process that is broken. It is filled with uncertainty. It is in the courts. If we do not give it some certainty, the jobs will go overseas, the farmers will be taking a pay cut, and the homeowners are going to be paying bills they cannot afford to pay. So what the Domenici-Bingaman legislation does is give it some certainty.

Now, there is always the question of, Who is in charge of siting authority—when you are dealing with foreign commerce and a national issue like this and security and safety—and local input? I find myself usually on the same side of the debates as the Senator from California. She was a mayor. I was a Governor. And I do not think we raise the principle of federalism high enough in our debates.

I happen to think the Domenici-Bingaman legislation has achieved the right balance on crisis issues. If there is one thing this legislation does—this whole bill does—that is important, that will affect the largest number of Americans, it is it will lower the price of natural gas. This may be the most important provision in the bill for that purpose because it will permit the bringing in of an immediate supply of natural gas. When the supply comes in, the price should stop going up and, hopefully, begin to go down. It will drive all the other provisions in here—for conservation, alternative energy, oil savings—are used.

Now, in addition to that, nothing in this legislation speaks of eminent domain. We do not grant eminent domain. There is no explicit grant of eminent domain in this legislation, and there are local zoning and land use planning rules in almost every community that would have to be respected.

So I believe if I were the Governor of a State and I really did not want an LNG terminal, I would have plenty of tools in my arsenal to kill the proposal here. We do have 31 applications around the country. We only need a few more LNG terminals. It will be better for the regions of the country if they are located in the proper place. I do not know why the people in New York City would want to pay super-high natural gas prices. If they do not, they need a terminal up there so the gas does not have to be shipped up from New Orleans.

So all these factors have to be taken into account. But my points are these: I believe the Domenici-Bingaman legislation has achieved the right balance on crisis issues. If there is one thing this legislation does—this whole bill does—that is important, that will affect the largest number of Americans, it is it will lower the price of natural gas. This may be the most important provision in the bill for that purpose because it will permit the bringing in of an immediate supply of natural gas.
So I commend the Senator for his proposal. It is the right balance. I believe it is the most crucial part of the legislation we are considering if what we want to do is bring down prices. It gives the Governor a good measure of authority and respect and local zoning and land use law. It efficiently permits us to go forward and find a few more places. My guess is there will not be a natural liquefied gas terminal unless there is some consensus within the community and the State that it should be there.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, let me speak also in opposition to the Feinstein amendment. Federal jurisdiction over the siting of import and export terminals is constitutional, it is appropriate, it is a necessary part of this energy bill, in my view, and of any national rational energy policy.

Obviously, as the Senator from Tennessee pointed out, an adequate natural gas supply is extremely important to our Nation's economy. The regulation of foreign commerce, such as import and export terminals for LNG, is a Federal role under our Constitution.

The States have a legitimate interest, an interest in protecting their environment and the health and safety of their citizens. But the Feinstein amendment is not necessary because State participation authority as defined in the LNG siting process is already very robust. For us to add another provision of law that says after the NEPA process is completed a Governor can come in and veto the siting of an LNG facility would be bad policy. In my view, the amendment being offered ignores the current State authority and turns the process on its head.

Today, for both offshore and onshore LNG proposals, State agencies with environmental and related permitting authority are active participants in the NEPA process. Furthermore, an applicant must obtain all of the required State and local permits before that applicant can construct and operate an LNG terminal.

The bill which we have reported out today, the LNG terminal project in Rhode Island would flunk Federal safety standards with inadequate earthquake protection and an insufficient fire barrier. It is a process that can take up to a year to complete. It is a process that is designed to involve all interest and to identify all of the significant environmental and safety issues that need to be resolved.

The amendment also allows the Governor to require the FERC to impose conditions on the LNG project to make it consistent with State environmental laws. But the veto and the consistency provisions in the Feinstein amendment duplicate authorities the States already have under other laws. The Coastal Zone Management Act requires that an applicant seek a Federal permit to construct an LNG terminal in a coastal area prove to the State that the activity will be consistent with the State's environmental laws. If the State denies the consistency determination, the Federal permit cannot be issued. This effectively vetoes the project. There is a limited right of appeal to the Secretary of Commerce.

The Clean Air Act requires that an applicant obtain from the State a section 401 certification that the facility will comply with the act, including the State's water quality standards. Denial of this certification effectively vetoes the project. There is no appeal that is provided for is to the State courts.

The committee bill does not take away any existing State authorities related to the LNG siting process. And the key Federal statutes that provide States participation—those in the bill—explicitly protected in our committee bill. It strikes a balance between Federal and State interests.

The Deepwater Port Act Gubernatorial veto, which has been referred to by the Senator from California, is not a good model for us to follow in this legislation. It was enacted in 1974 to provide a process for siting deepwater oil ports. The Governors' veto authority in the Deepwater Port Act has never been utilized. We are not certain what a gubernatorial veto is an artifact from a time when the environmental statutes that States currently can use were very new and were untested. The National Environmental Policy Act, NEPA, of 1969, was just in its infancy in 1974.

The NEPA process has evolved since the 1970s to require a thorough and ranging public review of the environmental impacts and a consideration of alternatives to the proposed actions. Many other environmental statutes—the Coastal Zone Management Act mentioned by the Senator from New Mexico, the Federal Water Pollution Control Act, and the Clean Air Act—were also enacted in the early 1970s. These Federal statutes delegate significant permitting authority to the States.

The Feinstein amendment is not workable as it is currently drafted. It allows the Governor to veto a proposed terminal after the entire NEPA process has been completed and a final environmental impact statement has been issued. It does not require the Governor or the relevant State agencies to participate in that same NEPA process. This is a process that can take up to a year to complete. It is a process that is designed to involve all interest and to identify all of the significant environmental and safety issues that need to be resolved.

I ask my colleagues: Why do we need to force the FERC to impose conditions on the LNG project to make it consistent with State environmental laws? But the veto and the consistency provisions in the Feinstein amendment duplicate authorities the States already have under other laws. The Coastal Zone Management Act requires that an applicant seeking a Federal permit to construct an LNG terminal in a coastal area prove to the State that the activity will be consistent with the State's environmental laws. If the State denies the consistency determination, the Federal permit cannot be issued. This effectively vetoes the project. There is a limited right of appeal to the Secretary of Commerce.

The Clean Air Act requires that an applicant obtain from the State a section 401 certification that the facility will comply with the act, including the State's water quality standards. Denial of this certification effectively vetoes the project. There is no appeal that is provided for to the State courts.

The committee bill does not take away any of these powers, nor does it affect the State and local laws that require project developers to obtain dozens of permits for LNG facilities.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I hope that Senators and those advising Senators listened carefully to the two arguments that have already been made. In particular, I commend both Senators. But let me say, if you listen carefully to the argument that Senator BINGAMAN, my colleague from New Mexico, just made, it should be clear that there is no intention in our legislation that local authorities be usurped. There is no intention that the environmental law of the land—NEPA—not be complied with. As a matter of fact, it is required.

There is nothing in this law that will turn the myriad of local regulations that are important to the environment and safety of our communities. There is no intention in our legislation that local authorities be usurped. There is no intention that the environmental law of the land—NEPA—not be complied with. As a matter of fact, it is required.

There is nothing in this law that will turn the myriad of local regulations that are important to the environment and safety of our communities. There is no intention in our legislation that local authorities be usurped. There is no intention that the environmental law of the land—NEPA—not be complied with. As a matter of fact, it is required.

I have behind me a chart which summarizes that permit and certification approval that must take place before we get to the final stages. And you go through a myriad of activities. We are talking about California: Fish and Wildlife, the Department of Transportation, regional water quality, California State Historic Preservation, storm water discharge associated with the facility, and localities. All of these things, including a full analysis as required by the National Environmental Policy Act, NEPA.
As we wrote this bill, we were trying to write national energy policy. Our country has been accustomed to a myriad of regulatory constraints and litigation before issues that are significant to our Nation’s energy come to an end. We know there was protection with reference to the citizens, the location, and the States in the existing law of our land, and we didn’t touch it. We merely said, in the final analysis, the last step will be decided by FERC, the Federal Energy Regulatory Commission.

This is a national energy issue. For anyone who thinks this is purely a simple issue of whether a Governor, when this process is all completed, ought to be able to say with a pen “I veto this,” that is not the case. Any Governor who wants to participate and have a meaningful decisionmaking involvement has ample opportunity to do so, and they will. They will be heard.

In the final analysis, this country cannot wait and sit around and say: We will wait until this matter is litigated. We cannot wait and sit around and say: We will not hurt your knees. You may not be able to do anything, but you won’t hurt their knees. And you looked inside and said analyze how safe can the siting of one of these ports in an inland location, how safe can you make the site, you probably would say we have done everything that you could imagine to make sure that happens.

The only thing we have said is, when it is all finished—months and months, maybe even years—you can’t then say a Governor can come a long and say no. Nobody is saying States have rights issue. This is a reasonable approach to an American problem of significance. Any Governor who is worth his salt—and probably all of them are—you can rest assured will be involved in such a process. They are going to be involved. They just are not going to be able to say: Well, I watched it all. I have looked at it all—or, as Senator BINGAMAN says, perhaps they will let it all go by—and when we are finished, I will make a decision. They could say that. But I don’t think that is going to happen.

First of all, we are not going to let that happen. But nobody is going to do that. They are going to get involved in all of these things that are here. In California, on the local level, you have to go through the Port of Long Beach, a harbor development permit, a building permit, the Port of Long Beach Development, city of Long Beach Engineering and Public Works. All of these things have to be done. We are not going to roll anybody over.

But in the final analysis, the States should be involved in that. If a Governor is concerned about his people, he should be involved. And, frankly, there is no doubt in my mind that if some mistakes are being made, they are going to get caught. Senator BINGAMAN just cited one. They aren’t even close to a permit in one application. What has FERC said? They sent their people out to look at it. They said: Forget about it. It flunks the test. They didn’t only fail their test, they would fail anybody’s test. It would fail the test of any one of these entities. So it wouldn’t be built.

But let me suggest, we have gone through making mistake after mistake by piling regulatory authority upon regulatory authority, to the extent that we have ended up saying: OK, give up. We are just not going to do that.

The best example is nuclear power. I don’t mean to have a big debate on it. But we decided that we should take care of that by litigation. We said: We will purify the shortcomings by going to court. We found out, if you go court enough times, you kill anything because you can’t get the money invested. It is a business. It must be done on the basis of financial returns, probability and risk.

I also want to say that something has been said here today about the risks involved in LNG. I don’t want to get into a debate of risks involving LNG ports. It suggests the Sandia National Laboratory report that was alluded to earlier by the distinguished Senator from Massachusetts. But rather than pick one section from it and reading it, it concludes that the chances anything serious will happen are minuscule. Everything you do of significance has a risk. If you don’t want to risk your legs wearing out, don’t get out of bed in the morning. Lay in bed your whole life. You sure won’t hurt your knees. You may not be able to do anything, but you won’t hurt your knees. Don’t worry about that risk. There is a risk in everything involved in energy, but a minor risk when it comes to LNG ports. That is throughout this Sandia report.

This is an aside, just to say nobody is trying to take a risk-laden act for the location of a site and escape scrutiny. Nobody is suggesting that in this bipartisan bill that passed the committee 22 to 1. Nobody is suggesting that. Nobody is suggesting we are enhancing the risk of doing something we must do. Not at all.

I will close by saying something I believe everybody should understand. It is a consensus interpretation that right now, without this bipartisan bill, the Federal Government has a say so about location. I can cite various commissions, various legal opinions. But understand that when such an issue is contentious, imagine how long it could take to get made. It would go by the distinguished Senator from Massachusetts. But rather than pick one section from it and reading it, it concludes that the chances anything serious will happen are minuscule. Everything you do of significance has a risk. If you don’t want to risk your legs wearing out, don’t get out of bed in the morning. Lay in bed your whole life. You sure won’t hurt your knees. You may not be able to do anything, but you won’t hurt your knees. Don’t worry about that risk. There is a risk in everything involved in energy, but a minor risk when it comes to LNG ports. That is throughout this Sandia report.

I note the presence on the floor of a distinguished lawyer, the Senator from Alabama. I don’t know where he is on this issue. As a States rights Senator, he probably thinks this is a States right issue. I am a States rights Senator, too, but I don’t think it is. He knows how many years of litigation it would take. Would it take one? It could take a year or maybe more. It would go through district court, Federal court, an appeal, they would redo it, and then somebody files an injunction and they take another appeal—while FERC says, why don’t we locate a port and bring this LNG in here? I close by saying that we are dependent upon crude oil from overseas for our very survival. I wish I could tell you we are not going to become dependent upon natural gas from overseas, but that is not the case. We are these countries are going to spend so much money making sure they develop the kinds of boats needed to bring it over here that
are safe. I heard from one country that they are going to invest billions of dollars for the safety of the hulls of those ships that are going to bring it over here because they, too, know they cannot have accidents. All of this means this is probably going to still take several years to produce. We hope we don’t make it such that it is more profitable because the supply is limited because we cannot act.

So this is a provision in our bill which complements existing legislation and executive directive. Act only after you go through every hoop you could go through. But don’t, at the end of it all, say: Governor, after all, it is a national problem studied by everybody, with environmental impact statements completed, local zoning ordinances, and the Governor could get involved and argue and send his people, and when it is finished, he can take out his pen and say I veto it. I don’t think that is the way to do it.

I have not made my argument with as much legal precision as my friend Senator Bingaman, but I do believe I have stated the case—not the case for California, but the case for America. Let me say there is no better advocate than my friend from Arizona. But I do admit there is no State that makes more decisions against producing energy in their State for their people than California.

My time is expired. I yield the floor.

Mr. DODD. Mr. President, I am pleased to join my colleagues from California, Senator Feinstein, as a co-sponsor of an amendment to ensure there is State authority in the siting of liquified natural gas (LNG) facilities.

I am troubled by section 361 of the underlying Senate energy bill that preempts State authority and gives exclusive authority to the Federal Energy Regulatory Commission (FERC) to approve or deny an application for the siting and expansion of liquefied natural gas (LNG) facilities within State boundaries. Extreme care must be taken to ensure that no energy project undermines the economic and environmental well-being of a State. The provision in the energy bill underrights the rights of States to determine how best to protect their natural resources, economy and residents. It erodes State authority under the Coastal Zone Management Act, the Clean Air Act, and the Federal Water Pollution Control Act, to name but a few landmark environmental pieces of legislation that have established and affirmed the critical role of States in setting energy policy.

Our amendment seeks to provide dual jurisdiction for States and the Federal Government, with respect to LNG facilities, similar to the provisions of the Deepwater Port Act of 1974 and as last amended in 2003. We are not inventing any new authority. Our straightforward amendment would require that FERC shall not approve an LNG license without the approval of a Governor. It defies common sense to have the voice of the States silenced by the Federal Government. The will of the people must be heard.

Frankly, I do not see the need to turn our siting authority on its head. It is my understanding that as many as six LNG facilities have been approved by FERC and two additional facilities have been approved by the Maritime Administration (MARAD). These new facilities would join the 4 currently operating LNG facilities—facilities that have been in service for many years. In February, the current FERC Chairman stated that he expected at least eight new terminals for LNG to be built in the next 5 years. That many have already received FERC clearance, but there are another 16 proposals with FERC, 7 proposals with MARAD and another 10 potential sites identified by project sponsors.

I understand the need for increasing our supply of natural gas. But I am concerned that an over-reliance on LNG facilities across the country is moving us away from a reliance on foreign oil to a reliance on foreign sources of LNG. It is my understanding that Iran, Qatar and Russia hold more than half of the world’s natural gas reserves. In April, Qatar signed an agreement with Brazil, and other natural gas producing nations met to discuss LNG pricing concerns, leading many to believe there is a will to some day form an OPEC-like structure.

One of those LNG proposals before FERC would be located in Long Island Sound. While this structure is not onshore, it is still within State boundaries. It would tentatively be positioned about 11 miles from Connecticut and 9 miles from New York. According to the company’s own pre-filing with FERC, the floating storage and regasification unit (FSRU) would be about 1,200 feet long and 180 feet wide. That is longer than 3 football fields and 2 buses combined, but the structure would stand 100 feet above the surface of the water. That is about one third the height of the Capitol from the base to the top of the Statue of Freedom. After warming the LNG to a gas, it would be transported in a new pipeline under Long Island Sound to an existing underwater pipeline. The structure would receive LNG shipments every 3 to 4 days and these tankers are projected to be nearly 1,000 feet long. That is just not benign actions. The construction of the LNG structure and a new pipeline, combined with the ongoing tanker activity would have an immediate and immense impact on Long Island Sound and the states of Connecticut and New York. Tanker activity alone could cause such an exclusion zone that normal commerce and recreation on Long Island Sound could be dramatically impaired. It is imperative that we protect this habitat.

Let us not forget, this proposed structure would be smack in the middle of Long Island Sound. Any attempt to move it away from Connecticut only moves it closer to New York and vice versa. Long Island Sound is an estuary of national significance, but it is only 21 miles at its widest. There is not a lot of wiggle room for this structure. More than 8 million people live and vacation there and millions more to restore the health of the Long Island Sound ecosystem. A healthy habitat ensures a prosperous recreation, commercial fishing industry, boating, swimming, and an overall thriving tourism industry.

Long Island Sound provides an economic benefit of more than $5 billion to the regional economy.

As this process moves along, decisions regarding the siting of an LNG facility must take into account its safety and security, its environmental impact, its actual energy benefits and its general fit within Long Island Sound. LNG facilities must be sited smartly and our governors must have a final say. I ask my colleagues to support this amendment.

Mr. SHELBY. Mr. President, I rise today to speak in relation to the Feinstein amendment.

The issue of liquefied natural gas, or LNG, has become one of great concern in my home State of Alabama and to many others across the country. I believe it is important that LNG be part of our nation’s energy plan. However, we must ensure that these facilities are safe and are sited in appropriate locations that have the support of the local communities and the State.

I recognize that the Federal Government should have the authority to sit and permit these facilities—but not without the input of the State and the local community. I do not believe that the Federal Government should run roughshod over State interests. It is imperative that they be protected throughout the siting process. To that end, I believe that a clear and direct line of communication between the Federal Energy Regulatory Commission and State and local governments should be established—because I do not believe that the current process provides such an avenue.

However, I do not believe that the Feinstein amendment is the appropriate way to accomplish this. While I am firmly committed to States rights, I believe that giving a State “veto” power over the siting of an LNG terminal is contrary to the Constitution and in my opinion, not in the best interests of our Nation. The interstate commerce clause clearly places matters of interstate and foreign commerce in the hands of the Federal Government.

I believe that we can provide an avenue for State and local involvement while still preserving the constitutional role of the Federal Government in matters of interstate commerce. To that end, I have worked with Chairman

CONGRESSIONAL RECORD — SENATE
DOMENICI and Senator BINGAMAN to craft language that strikes that important balance. I believe that we have crafted a proposal that does just that and would encourage my colleagues to consider that language before we end debate on LNG.

The proposal that I reference will provide our State and local communities with a strong voice in the permitting and siting process of LNG facilities while maintaining the critical role of the Federal Government in interstate and foreign commerce. This language ensures that State and local authorities are represented by a single party or agency throughout the process and that their concerns regarding safety, security, and environmental protection are clearly articulated and acknowledged. In addition, the language also clearly lays out the process for developing a cost sharing plan between the industry and the State, local, and Federal agencies tasked with maintaining safety and security around the facility. This will ensure that these facilities do not tax the response systems to the detriment of the surrounding community.

It has been involved in the debate over LNG for the last several years and my goal and concern has been and always will be to protect the citizen’s of Alabama while also providing an opportunity for the development of a critical asset. I thank Chairman DOMENICI for his willingness to work on this issue and find a common ground.

Mrs. BOXER. Mr. President, I am pleased to co-sponsor Senator FEINSTEIN and Senator INOUYE’s amendment to provide Governors with veto authority on the siting of onshore liquefied natural gas, LNG, facilities. This is an extremely important issue in California, and I commend my colleague for her amendment.

The energy bill we are debating hands full authority for LNG siting decisions to a federal entity, the Federal Energy Regulatory Commission, FERC. It determines the role in deciding whether and where LNG terminals may be located on our coastlines.

This is a misguided proposal. Does FERC have a better understanding than a State’s Governor of the potential environmental impact of an LNG facility located on or near the State’s shore? Does FERC better understand the potential safety risk of facilities located near residential areas? Is FERC better qualified than a State to judge whether a proposed LNG facility would pose an unacceptable security risk to the area? Can FERC make a better judgment than the Governor of a State as to whether the benefits of an LNG facility will outweigh the drawbacks?

The answer to all of these questions is “no.” Only individual States can determine the best solution for their citizens when so much is at stake in terms of safety, security, and the sanctity of our environment.

We in California are all too aware that the Federal Energy Regulatory Commission’s decisions may not be in our best interests. For too long during California’s energy crisis in 2000–2001, FERC ignored the problem and took no action to help. Even today, four years later, we are still waiting for FERC to address the situation and unreasonable rates charged by energy companies that were manipulating the market. We in California do not trust FERC to protect our interests.

I recognize that this country has a growing need for natural gas resources, and the construction of LNG facilities will help meet that need in the years to come. I am not arguing that no LNG terminals should be constructed on or close to our shores. I am simply arguing that FERC should not be the final arbiter in determining where those facilities are located. Each State deserves to decide for itself whether the benefits of such a facility outweigh the costs.

I urge my colleagues to vote for this amendment.

Ms. CANTWELL. Mr. President, I rise today in support of the amendment offered by Senator FEINSTEIN. This amendment grants States an opportunity to provide a common-sense tool that will provide States with the authority they need to protect their citizens’ safety, security, and environment.

The underlying bill grants exclusive jurisdiction to the Federal Energy Regulatory Commission for the siting of LNG facilities. Unfortunately, this model minimizes the opportunity for important State interests regarding public safety, security, and environmental concerns to be adequately addressed within the LNG siting process.

The Feinstein amendment is simple — it allows the Governor of affected States to approve, veto, or condition the siting of onshore liquefied natural gas, LNG, terminals based on safety, security, environmental, and other concerns. In addition to providing Governors a clear role in bringing safety and security challenges to light, it also provides Governors the opportunity to have those concerns adequately addressed.

Furthermore, the Feinstein amendment makes sense. Under the Deepwater Port Act of 1974, the Governors of adjacent coastal States already have the ability to veto, approve, or condition the siting of LNG terminals located outside of their jurisdiction in Federal waters. Affected States should have the same authority over LNG facilities located in State waters, or in offshore areas that they already have over facilities sited in Federal waters. The Feinstein amendment grants states this important role over LNG facilities proposed within their jurisdiction.

The Feinstein amendment is critical to assure that safety and homeland security concerns related to LNG facilities are addressed. Since 1944 there have been 13 serious accidents at onshore LNG facilities. A recent LNG accident in Algeria killed 7 workers, injured 74 others, and was reported to be the worst petrochemical fire in Algeria in more than 40 years.

Several reports have cited the potential homeland security challenges posed by LNG terminals, delivery tankers and their role in a potential terrorist attack. The potential impacts of a well-coordinated terrorist attack are immense. A December 2004 report by the National Commission reported that an intentional LNG spill and resulting fire could cause “major” injuries to people and “significant” damage to structures within approximately .3 miles of the spill site, more moderate injuries and structural damage up to 1 mile from the spill site, and lower impacts out to 1.5 miles.

Given these potential safety and homeland security concerns, Governors should have a clear role to play in the siting of LNG facilities within their jurisdiction. I urge my colleagues to support the Feinstein amendment that will support the rights of States to adequately protect their citizens’ safety, security, and environment.

The PRESSING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I understand I have a minute remaining.

Mrs. FEINSTEIN. However, Senator SESSIONS has asked to speak for 3 minutes, and then I would like to have 1 minute to wrap up, if I might. I ask unanimous consent that the time be extended in that regard.

Mr. DOMENICI. Reserving the right to object, I have no objection if we add to that that we have the same amount of time added to our side.

The PRESSING OFFICER. There would be 3 minutes additional to each side. Is there objection?

Mrs. FEINSTEIN. Three minutes for Senator SESSIONS, and 1 minute for Senator DOMENICI, and 1 for me?

The PRESSING OFFICER. As the Chair understands the request, there would be 3 minutes for Senator SESSIONS, Senator FEINSTEIN’s remaining 1 minute, and 3 minutes for Senator DOMENICI.

Mrs. FEINSTEIN. Mr. President, I express my admiration for the Senator from New Mexico and his leadership on this bill. In his heart, he is right and fundamentally correct that this country needs to produce more energy. The State of Alabama has been very aggressive in supporting our Nation’s need for energy. We have wells drilled right off our coast, and we believe that is good for this country. As a matter of fact, off our coast, beyond a 3-mile or 9-mile limit it is Federal
waters and States don't have control over that. To bring an LNG terminal into a community can cause some real problems.

I appreciate the leadership of Senator DOMENICI and Senator BINGAMAN in offering an alternate interstate solution to this problem. But I frankly don't think it is sufficient. We have to have some ability for the local governments to have real, meaningful objections raised for the safety of the people in the community. So that is what I am concerned about.

At this time, the suggestions that are made in good faith, are not sufficient. There is no doubt that natural gas is important to our country. Higher demand is there every day. Our supplies will dwindle unless we bring on new sources. Liquefied natural gas can be brought into this country. It burns cleaner than most other fuels. If we can bring it in in large numbers, it will be good for America. But to say that a State or a Governor cannot participate in this process and to object, Anybody who has tried to operate a terminal and I have talked to several of them—will tell you there are a lot of people in the process who can say "no" and that "no" will stick.

The States clearly are in that position. The States, under the Coastal Zone Management Act, have the ability to say no, if they do not determine that the permitting or that the applicant who is seeking a permit is consistent with the State's coastal laws. Under the Clean Water Act, the State can say no and deny a certification under section 411 if they determine that the proposal has not complied with the State water quality standards. There are a variety of places where that can happen. I think it is sufficient. We have to have a more meaningful participation by the Governors. I thank the Senator for his good-faith response, but I must support this amendment, as I think it is the right step. I agree fundamentally with some real power I think we need to have some finality to this, and we need to be able to be sure FERC can go ahead with the siting if they determine, after all this has been done, that in fact this is a safe project that makes sense and ought to be permitted. That is all we are trying to do in the bill.

The amendment of the Senator from California would have the effect of saying to Governors that you have the final word. Regardless of what FERC determines, you can say no and that, if you still don't like it, you can say no. That is not a good process. That will not give the confidence and assurance that is needed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SESSIONS. But creating a terminal may not be. I thank you.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, there is 3 minutes remaining in opposition to the amendment.

The PRESIDING OFFICER. That is correct.

Mr. BINGAMAN. Mr. President, let me speak briefly. I thank my colleague for yielding me some time to conclude my remarks here, and I compliment him on his statement. The Constitution is very clear. It says in article I of the Constitution—and Senator BYRD isn't on the floor, but he is usually reading this to us—that "the Congress shall have the power"—then it lists a whole bunch of things—"to regulate commerce with foreign nations and among the several States and with the Indian tribes." This is a question of siting import and export terminals, so that we can conduct business with foreign nations. Clearly, there are major authorities that States and local governments have to participate in this process and to object. Anybody who has tried to operate a terminal and I have talked to several of them—will tell you there are a lot of people in the process who can say "no" and that "no" will stick.

The States clearly are in that position. The States, under the Coastal Zone Management Act, have the ability to say no, if they do not determine that the proposal has not complied with the State water quality standards. There are a variety of places where that can happen. I think it is sufficient. We have to have a more meaningful participation by the Governors. I thank the Senator for his good-faith response, but I must support this amendment, as I think it is the right step. I agree fundamentally with some real power I think we need to have some finality to this, and we need to be able to be sure FERC can go ahead with the siting if they determine, after all this has been done, that in fact this is a safe project that makes sense and ought to be permitted. That is all we are trying to do in the bill.

The amendment of the Senator from California would have the effect of saying to Governors that you have the final word. Regardless of what FERC determines, you can say no and that, if you still don't like it, you can say no. That is not a good process. That will not give the confidence and assurance that is needed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BINGAMAN. Mr. President, I urge defeat of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent to add Senator CHAFER as an original cosponsor.

The PRESIDING OFFICER. Without objection.

Mrs. FEINSTEIN. In the first place, there is no Federal delegated authority for safety. Let me give you an example, a case in point of what that means. That case in point was presented by Senator KENNEDY on the Fall River proposal for an LNG facility in the heart of river territory in Massachusetts. Three schools are in the area, with 9,000 people in the immediate area. It was opposed by the State government and every local city and town. But the FERC staff recommended the project go forward in the final environmental impact report.

FERC is no guardian of safety. This is a case in point to give Governors authority over that. The Deepwater Port Act gives Governors authority offshore. They should have it on shore, too.

I yield the floor.

Mr. DOMENICI. Mr. President, I ask the Senator from California if she would be interested in having an additional minute. You know there is something in this question.

Mrs. FEINSTEIN. The Senator's generosity overcame me for a minute.

Mr. DOMENICI. The Senator from California will have one minute, and we will have one minute.

Mrs. FEINSTEIN. I appreciate that. Mr. DOMENICI. It is the Senator's right. The PRESIDING OFFICER. Is there objection to the unanimous consent request for 1 additional minute on each side? Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, the Deepwater Port Act gives Governors the right of veto over an LNG port 3 miles or more offshore, but this bill prevents them from having any authority if there is a proposal for an LNG terminal right on State land, right in the heart of a metropolitan area, right where it presents a danger to citizens, right where it could present an environmental disaster. This is an idiosyncrasy which is wrong. All we have done is replicate the Deepwater Port Act's authority.

The other point I wish to make is there is in this bill the right of appeal. There is the right of the Commerce Department to step in and reverse anything a State does in this regard. There will be a LNG terminal is sited, let there be no doubt about it. The key is to site them smartly, to site them where they make the best sense.

I thank the Chair.

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

Mr. DOMENICI. Mr. President, I yield my minute to Senator CRAIG.

The PRESIDING OFFICER. The Senator is recognized.

Mr. CRAIG. Mr. President, I hope Senators today will oppose the Feinstein-Snowe amendment for a very clear reason. In 1974, when the Senator from California refers to this port act, we did not have a lot of the law in place that we now have today.

This is not a closed-door process. Using the Natural Gas Act allows FERC to do all it needs to do to protect the public—public hearings, public involvement. If we are going to let NIMBYism at the State level destroy the ability of this country to build the kind of natural gas infrastructure we need today, that we do not have today that is driving the chemical industries offshore, that are shooting our prices
up, then allow NIMBYism to exist within the law. I am a State rights person. 

Mrs. FEINSTEIN. Will the Senator yield for a question?

Mr. CRAIG. I will not yield. This is a closing statement. We have Senators who need to have the vote and get to their committees. I am a State rights advocate, but I also recognize the Constitution and the interstate commerce clause and what we have to do to facilitate this. I ask Senators to vote to table the Feinstein amendment.

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

Mr. DOMENICI. Mr. President, I move to table the Feinstein amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from South Dakota (Mr. THUNE).

Mr. DURBIN. I announce that the Senator from North Dakota (Mr. CONRAD) and the Senator from South Dakota (Mr. JOHNSON) are necessarily absent.

The PRESIDING OFFICER (Mr. GRAHAM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 45, as follows:

[Rollcall Vote No. 146 Leg.]

YEA—52

Alexander  DeWine  Lugar
Allard  Dole  McCain
Baucus  Domenici  McConnell
Bennett  Dorgan  Murkowski
Bingaman  Ensign  Nelson (NE)
Bond  Enzi  Pryor
Brownback  Frist  Roberts
Bunning  Grassley  Rockefeller
Burns  Gregz  Santorum
Bur  Hagel  Shelby
Chambliss  Hatch  Specter
Coburn  Hutchinson  Stevens
Coehran  Inhofe  Stevens
Coleman  Isakson  Talent
Corzine  Kohl  Thomas
Craig  Kyl  Voinovich
Crafo  Lincoln  Warner
DeMint  Lott

NAY—45

Akaka  Feinpo  Murray
Allen  Feinstein  Nelson (FL)
Bayh  Graham  Obama
Biden  Harkin  Reed
Boxer  Inouye  Reid
Byrd  Judds  Salazar
Cantwell  Kennedy  Sarbanes
Carper  Kerry  Schumer
Chafee  Lautenberg  Smith
Collins  Leahy  Snowe
Corzine  Levin  Stabenow
Dodd  Lieberman  Sununu
Dunik  Martinez  Vitter
Durbin  Mikulski  Wyden

NOT VOTING—3

Conrad  Johnson  Thune

The motion to lay on the table the amendment was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.
high gas prices have had on rural areas in this country. You talk about rural areas; look at Maine. Look at West Virginia. Look at that map. I will talk about it in a moment. Residents of rural areas must drive longer distances to work and from work, inflicting burdens and energy costs on those areas. Rural workers have less access to public transportation. This means subways and buses are not usually available to rural workers.

Look at my State, a mountain State. Senators ought to know what it is like to wind around those mountains, up and down; steep going up and going down sometimes is worse. In Appalachia—that is what we are talking about, what I am talking about right now is Appalachia. Rural roads—come on over, Senators, and try some of those rural roads. Your head will be dizzy and you will be holding on with your fingertips and your fingernails will be white. It is tough. In Appalachia—twisting and bending around the hills and mountains, exacerbate the financial pain.

When gas prices spike, rural workers often have no extra income to absorb the increase, for they are at the painful crossroads of essential expenditures. High gas prices hurt local businesses as workers are forced to scale back leisure activities and everyday comforts. Economic activity slows, communities are impacted, and savings shrink. These communities are crying out for action. They have no alternative means of transportation available to them to avoid driving, no subways. Go over to the Alleghany Mountains, you will not find subways. Those mountains are beautiful. I tell you, there is nothing like them, the Alleghanys. Appalachia, no subways. No mass transit. They are unlikely to benefit much from the energy conservation incentives designed for their urban counterparts.

These rural workers—hear me, I hear me—these rural workers seek immediate relief. They want some help. They grow increasingly frustrated with the hemming and the hawing of their representatives in Congress—not only in Congress but in the White House. They do not want equivocations about economic theories. They are all well and good, those theories. These workers do not want tutorials about tax policy. What do they want? They want relief. And today, I am going to submit an amendment that would be a partial answer. We have to start giving some attention to this problem and to these people.

This amendment would create a new transportation fringe benefit for eligible rural workers. Employers could offer these workers compensation for their costly gasoline purchases. Those expenditures for gasoline, up to $50 per month, by rural workers who can carpool, could be added to their taxable wages, providing immediate relief.

The amendment would cost $123 million over 5 years. It is my understanding, based on discussions with the Finance Committee, that an offset would be provided later in the day.

This amendment is the result of a compromise. Legislation is compromise. There are different opinions around here. We represent different States with different problems. Sometimes we cannot have it all the way we would like. Not everything is the way we want. We have to compromise. Legislation means compromise. We have to have a bill. You do not go for the kill on every bill, but you do what you can. Sometimes you have to not do as much as you would like to do, but you do something, and later you do something more.

This amendment is the result of a compromise with the Finance Committee. I have been in Congress now 53 years. How about that—53 years in the House and Senate. I started out in the House. But you have to compromise. You have to do that in the House, compromise. You have to do that in the Senate. You have to do like you want it, but you get something for the people you represent. You help them a little here and a little there and then a little more here and a little more there. That is the way it is done.

This amendment is the result of a compromise with the Finance Committee. It represents an acknowledgment by the Senate that rural workers can be affected more directly and harshly by high gas prices and that the Senate is beginning to respond to that reality.

This amendment can help to provide immediate relief to rural workers. It cannot do everything, but we are doing something. It can help to provide relief to working mothers, to fathers, both of whom are searching for ways to stretch their paychecks just a little bit further. You can only stretch that paycheck so far. It will not stretch any further.

It will benefit residents from the northern most areas of Maine. We can see Maine looking at the chart, right up there at the top, way up there, way up there. It will benefit the northern most areas of Maine, down the east coast, down the east coast, into the Appalachian region—there is home sweet home to me. Appalachia—Kentucky, Tennessee, and into the Southern States of Mississippi and Alabama. It will benefit residents throughout the rural heartland of America.

The dark areas are being pointed out by this fine young man. These dark areas are what we are talking about. These are the rural areas. Look at them on this map. The urban areas are the yellow areas. Look how big the map is when it comes to the rural areas. That is where a lot of real people live. You talk about the grassroots of America. Go back to the rural areas. Those people in the rural areas have to work in the big cities. They need to have mass transit in most of these areas. We are talking about the heartland of America: Iowa, Nebraska, the Dakotas, western. Turn westward young man, westward. West through Montana and Idaho, and along the west coast. Rural areas in California. California has rural areas, too. Oregon, Washington—rural areas along the west coast into Washington, Oregon, and California.

So I hope the camera is focusing on these rural areas, rural workers in every State—name the State—rural workers in that State who would benefit from this amendment, working in the rural areas, the green areas. I will point out Appalachia again. If you have not been there, you ought to go and see what those people have to contend with. See what workers in Appalachia have to contend with. It is not just Appalachia; it is all over the country, throughout the country, every State. There are many in these rural—the green—areas who are forced to drive to work due to a lack of public transit. They do not have Metro. We have the Metro in the District of Columbia. They do not have it over there. They would be eligible to benefit from this amendment.

The Finance Committee has offered a tax package to this bill providing $18 billion of very different tax incentives, of which I support. The Finance Committee package will yield long-term benefits for the American people. As I have said, the chairman and the ranking member have been very gracious in considering my views regarding these matters. But the House of Representatives passed $8 billion of very different tax incentives, much of them going to big oil, which today is reaping an enormous windfall.

I say to the distinguished Senator from New York, there are a lot of people up there in rural areas in New York—Chuck Schumer, yes. He and Senator Clinton—man, they look out after their people. May the Lord bless them.

Much of the benefits are going to big oil, which today is reaping an enormous windfall from the high price of gasoline. Let me say that again: The House of Representatives passed $8 billion. How much is that? That is $8 for every minute since Jesus Christ was born. Now you can get an idea of what we are talking about. Eight billion, $8 for every minute since Jesus Christ was born. These different tax incentives, this billion of dollars in tax incentives, much of them going to big oil, which today is reaping an enormous windfall from the high price of gasoline. These tax breaks are in addition to the billions of dollars in taxpayer revenues dedicated annually to these companies.

This is an opportunity to vote for an amendment that will provide some relief—not enough but some. The Senate is, finally, about to recognize this problem. This is an opportunity to vote for an amendment that will provide relief directly and immediately. To whom? The little guy. The little guy. Man, you talk about me now, the little guy. The
Presiding Officer is for the little guy. That is what this amendment is about.

This is an opportunity to help working men and women today. Not enough, not enough, but it is a good start. We do not have to wait and hope gas prices will decrease. We can take some action now.

I urge adoption of this amendment which I now send to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk reads as follows:

Mr. BYRD, Mr. President, I ask unanimous consent of the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To amend the Internal Revenue code of 1986 to provide relief from high gas prices.)

At the appropriate place insert the following:

SEC. 162. INCOME TAX EXCLUSION FOR CERTAIN FUEL COSTS OF RURAL CARPOOLS.

(a) IN GENERAL.—Section 132(f)(1) of the Internal Revenue Code of 1986 (defining qualified transportation fringe) is amended by adding at the end the following new subparagraph:

"(D) Fuel expenses for a highway vehicle of any employee who meets the rural carpool requirements of paragraph (8).

(b) LIMITATION ON EXCLUSION.—Section 132(f)(2) of such Code (relating to limitation on exclusion) is amended by striking "and" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", and", and by adding at the end the following new subparagraph:

"(C) $50 per month in the case of the benefit described in subparagraph (D)."

(c) RURAL CARPOOL REQUIREMENTS.—Section 132(f)(3) of such Code is amended by adding at the end the following new paragraph:

"(8) REQUIREMENTS FOR EMPLOYEES PARTICIPATING IN RURAL CARPOOLS.—

"(A) IN GENERAL.—The requirements of this paragraph apply if an employee:

"(i) is an employee of an employer described in subparagraph (B),

"(ii) certifies to such employer that:

"(I) such employee resides in a rural area (as defined by the Bureau of the Census),

"(II) such employee is not eligible to claim any qualified transportation fringe described in subparagraph (A) or (B) of paragraph (1) if provided by such employer,

"(III) such employee uses the employee’s highway vehicle when traveling between the employee’s residence and place of employment, and

"(IV) for at least 75 percent of the total mileage of such travel, the employee is accompanied by 1 or more employees of such employer, and

"(iii) agrees to notify such employer when any subclause of clause (i) no longer applies.

"(B) EMPLOYER DESCRIPTION.—An employer is described in this subparagraph if the business premises of such employer which serve as the place of employment of the employee are located in an area which is not accessible by a transit system designed primarily to provide daily work trips within a local commuting area.

(d) TO EXCLUSION FOR EMPLOYMENT TAXES.—Section 3121(a)(20) of such Code (defining wages) is amended by inserting "(except by reason of subsection (1)(D) thereof)" after "or 132.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses incurred after the date of the enactment of this Act and before January 1, 2007.

Mr. BYRD. Mr. President, I have nothing further right now.

The PRESIDING OFFICER. Does the Senator still wish to have cosponsors added to the amendment?

Mr. BYRD. Yes. I thank the Chair for remembering that. The names of those cosponsors I send to the desk.

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

Mr. BYRD. Senators Lincoln, Rockefeller, Harkin, and Pryor, propose an amendment numbered 869.

Mr. BYRD. Mr. President, I ask unanimous consent that they be added as cosponsors.

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

Mr. BYRD. I thank the Chair and yield the floor. I am ready to vote.

The PRESIDING OFFICER (Ms. Murkowski). Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 869) was agreed to.

Mr. BYRD. Madam President, I thank all Senators.

I move to reconsider the vote by which the amendment was adopted. I move to lay that motion on the table. The motion to lay on the table was agreed to.

Mr. BYRD. Madam President, I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, I ask unanimous consent we return to consideration of amendment No. 805, a previously pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is now pending.

Mr. SCHUMER. Madam President, I will address this amendment. As I understand it, we might be able to call for a vote shortly because I will not speak for that long.

Madam President, I rise today offering an amendment that will express the sense of the Senate that the Federal Government should take long overdue action to curb the record-high gasoline prices that are plaguing America’s consumers at the pump.

We know there are two aspects to the energy problem we face in America. If anything, the more important is the long-term problem, and there we need conservation and new energy sources and new exploration. In my judgment, at least, this bill does a tiny, little bit of that, not close to enough of what we need, particularly on the conservation side.

But we also have a short-term problem. That short-term problem is the record-high prices of gasoline. It is caused by a number of things. Obviously, increasing demand here in America and worldwide, China and India, in particular, but at the same time, it is also caused by the fact that we are up against a cartel, OPEC, and OPEC manipulates the production of oil.

If OPEC were in the United States, if those 11 countries were 11 companies, they would be brought under antitrust laws. They play havoc with the gasoline markets. A few months ago, while demand was climbing, they cut back production by a million barrels. Realizing they had overdone it, even from their own point of view, they then added their members’ production by 500,000 barrels a day. But that was a paper reduction. It did not really come into the markets.

So the bottom line is this: We have a serious problem in terms of OPEC. Many think we are powerless to deal with it in the short term—for the long term, as I mentioned, there are ways to deal with it—but I do not believe that is the case because we have an ace in the hole; that is, the Strategic Petroleum Reserve. It has not been full in a long time. There are 700 million barrels of oil, or close to that, sitting in the Louisiana and Texas oil flats.

If we were to strategically use that oil in a swap, which would not decrease the amount of oil in the Reserve but would be a tool to bring down prices, and then we would buy back the oil or have the oil replaced in this swap when the price comes down so we would actually put more oil into the Reserve than when we started, we could do a lot of good for drivers in this country.

The last time the Strategic Petroleum Reserve was used—and it can be used, by law, for this; President Clinton did it in October of 2000, after I spent a lot of time importuning him to do it—prices went down considerably. I have no doubt, if the sense of the Senate resolution is adopted and the President follows it, that prices would go down again.

Madam President, I see my good friend from New Mexico is here. I am told it would be his preference that we have a vote by 12:10. So I will only speak for another 3 or 4 minutes.

Mr. SCHUMER. Madam President, I would like to offer another amendment, not speak about it, but just lay it down, and then give the remaining 4 or 5 minutes to my colleague from New Mexico, and then we would have a vote. If that is OK with the Senator from New Mexico, that is what I would do.

Mr. DOMENICI. Madam President, I say to the Senator, could we try, in that arrangement, to give me 5 minutes, even if we go over a minute or 2 beyond 12:10?

Mr. SCHUMER. Great. I will try to keep my remarks brief because I have spoken about it before.

Mr. DOMENICI. The other amendment, have we seen it or know anything about it?

Mr. SCHUMER. Yes, it has been filed.
to temporarily lay aside the pending amendment so that I may offer amendment No. 811.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The clerks will aid the amendment.

The assistant legislative clerk read the following:

The Senator from New York [Mr. SCHUMER], for himself, Ms. CANTWELL, and Mr. LUTZINGER, proposes an amendment numbered 811.

Mr. SCHUMER. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: ‘To provide for a national tire fuel efficiency program)

On page 120, between lines 20 and 21, insert the following:

SEC. 142. MOTOR VEHICLE TIRES SUPPORTING MAXIMUM FUEL EFFICIENCY.

(a) STANDARDS FOR TIRES MANUFACTURED FOR INTERSTATE COMMERCE.—Section 30123 of title 49, United States Code, is amended—

(1) in subsection (b), by inserting after the first sentence the following: ‘‘The grading system shall include standards for rating the fuel economy of tires designed for use on passenger cars and light trucks.’’; and

(2) by adding at the end the following:

‘‘(d) NATIONAL TIRE FUEL EFFICIENCY PROGRAM.—(1) The Secretary shall develop and carry out a national tire fuel efficiency program for tires designed for use on passenger cars and light trucks.

(2) The program shall include the following:

(A) Policies and procedures for testing and labeling tires for fuel economy to enable tire buyers to make informed purchasing decisions about the fuel economy of tires.

(B) Policies and procedures to promote the purchase of energy-efficient replacement tires, including purchase incentives, website listings on the Internet, printed fuel economy guide booklets, and mandatory requirements for tire retailers to provide tire buyers with information on tires.

(C) Minimum fuel economy standards for tires, promulgated by the Secretary.

(D) The minimum fuel economy standards for tires shall—

(i) ensure that the average fuel economy of replacement tires is equal to or better than the average fuel economy of tires sold as original equipment;

(ii) secure the maximum technically feasible and cost-effective fuel savings;

(iii) not adversely affect tire safety;

(iv) incorporate the results from—

(A) laboratory testing; and

(B) on-road fleet testing programs conducted by the manufacturers;

and

(F) not adversely affect efforts to manage scrap tires.

(4) The policies, procedures, and standards developed under paragraph (2) shall apply to all types and models of tires that are covered by the uniform tire quality grading standards under section 575.104 of title 49, Code of Federal Regulations (or any successor regulation).

(5) Not less often than every three years, the Secretary shall review the minimum fuel economy standards in effect for tires under this subsection and revise the standards as necessary to ensure compliance with requirements under paragraph (3). The Secretary may not, however, reduce the average fuel economy standards applicable to replacement tires.

(b) CONFORMING AMENDMENT.—Section 30163(b) of title 49, United States Code, is amended in paragraph (1) by striking ‘‘When’’ and inserting ‘‘Except as provided in section 30123(d) of this title, when’’.

(c) TIME FOR IMPLEMENTATION.—The Secretary of Transportation shall ensure that the national tire fuel efficiency program required under subsection (d) of section 30123 of title 49, United States Code (as added by subsection (a)(2)) is in place by April 1, 2009, so as to apply the policies, procedures, and standards developed under paragraph (2) of such subsection (d) beginning not later than March 31, 2008.

AMENDMENT NO. 805.

Mr. SCHUMER. Madam President, I ask unanimous consent that the amendment be laid aside and we return to the pending business, which is amendment No. 805.

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

Mr. SCHUMER. Thank you, Madam President.

Now, we have this ace in the hole, the Strategic Petroleum Reserve, which has been used before; it is not a long-term solution, but now the OPEC calls all the shots. They know that they can, more or less, set the price, particularly at a time of rising demand. If we were to strategically use, if you will, the Strategic Petroleum Reserve, we could break OPEC’s resolve, break OPEC’s will, and actually deal with the problem of high gasoline prices in the short term. It is virtually the only way to do it.

So I would say to my colleagues, we cannot order the President to do it, so this is simply a sense of the Senate that says we should do it. I believe drivers throughout America—whether they are driving trucks thousands of miles or driving kids to school or anything in between—are looking at us to see if we will do something. This amendment signals our desire and ability not only to simply take it on the chin and take it over and again from OPEC but, rather, to use our strategic weapon, the Strategic Petroleum Reserve, as it has been used before, to both lower gas prices and let OPEC know we have good cards in our hand that we can lay on the table and use.

With that, Madam President, since the amendment has been discussed before, and this is an issue I have been involved with for years and years, I will, in the interest of time and getting a vote on this amendment quickly, yield the floor so my colleague from New Mexico might respond.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, first, might I say to my good friend from New York, I respect his continuing efforts in this regard. But I would say, do not misunderstand that to mean I think his amendment will do any good.

I think, first of all, the Senate should know the Strategic Petroleum Reserve is not a reserve to supply the United States with oil on a day-by-day basis. It is a reserve in the event we have a crisis.

We had a crisis that started this. That is why we started the Reserve. We had a crisis because Iran, years ago, decided to cut us off. They did not cut us off by a huge amount, but just enough to send a turmoil into the market. Our prices skyrocketed, and the United States said: Well, let’s find a place to put some oil that we can retrieve if we have a crisis.

Now, everybody should know a crisis does not mean the price is too high or the price is too low. It means America has suffered an untoward shock, a war that has run into a sudden and we started drawing down, not an ongoing, everyday event that we just play and have to work in the marketplace.

Now, how much do we have? Years ago we thought we had a very big reserve. In 1985, we said: We want to have 118 days of supply; that is, if we needed it, and needed it every day, continually, to supplement what we had domestically, we had 118 days. Because of our growing dependence and other things, we now think this Reserve is 59 days of import protection.

I ask the Senate, is 59 days too much? I wish we could tell the American people we had 259 days. But we have 59. It will soon be filled. So anything worrying about amendments saying, Don’t put in any more; it will soon reach its capacity, I say, Good. That is what it ought to be.

Now, the Senator says: Let’s start taking it out now, a million barrels a day for 30 days, with another possibility of a million barrels a day for 30 more days. To what end? Do you think those who control the price by controlling production would sit by and say, ‘‘The United States is going to use its reserve. We don’t think they should. It is kind of dumb. But they are going to put it on the market’’? In a minute, they could cut production, and any impact using up this important reserve would have on the market would go away. So we would be doing a unilateral and perhaps unnecessary action because we would be minimizing the security potential of SPR, and we would not get any good out of it. There
The amendment (No. 905), as modified, is as follows:

SEC. 303. SENSE OF THE SENATE REGARDING MANAGEMENT OF SPR.

(a) FINDINGS.—Congress finds that—

(1) the prices of gasoline and crude oil have a direct and substantial impact on the financial well-being of the United States, the potential for national economic recovery, and the economic security of the United States;

(2) on June 13, 2005, crude oil prices closed at the exceedingly high level of $55.62 per barrel, the price of crude oil has remained above $50 per barrel since May 25, 2005, and the price of crude oil has exceeded $50 per barrel for approximately 1/3 of calendar year 2005;

(3) on June 6, 2005, the Energy Information Administration announced that the national price of gasoline, at $2.12 per gallon, could reach even higher levels in the near future;

(4) despite the severely high, sustained price of crude oil, (A) the Organization of Petroleum Exporting Countries (referred to in this section as “OPEC”) has refused to adequately increase production to global markets and officially abandoned its $22–$28 price target; and

(B) officials of OPEC member nations have publicly indicated support for maintaining oil prices of $40–$50 per barrel;

(5) the Strategic Petroleum Reserve (referred to in this section as “SPR”) was created to enhance the physical and economic security of the United States;

(6) the law allows the SPR to be used to provide relief when oil and gasoline supply shortages cause economic hardship;

(7) the proper management of the resources of the SPR could provide gasoline price relief to families of the United States and provide the United States with a tool to counterbalance OPEC supply management policies;

(8) the Administration’s policy of filling the SPR despite the fact that the SPR is nearly full has exacerbated the rising price of crude oil and record high retail price of gasoline;

(9) in order to combat high gasoline prices during the summer and fall of 2000, President Clinton released 30,000,000 barrels of oil from the SPR, stabilizing the retail price of gasoline;

(10) increasing vertical integration has allowed—

(A) the 5 largest oil companies in the United States to control almost as much crude oil production as the Middle Eastern members of OPEC, over 1/3 of domestic refiner capacity, and over 60 percent of the retail gasoline market; and

(B) Exxon/Mobil, BP, Royal Dutch Shell Group, Conoco/Philips, and Chevron/Texaco to increase first quarter profits of 2005 over first quarter profits of 2004 by 38 percent, for total first quarter profits of over $25,000,000,000;

(11) the Administration has failed to manage the SPR in a manner that would provide gasoline price relief to working families; and

(12) the Administration has failed to adequately demand that OPEC immediately increase crude oil production in order to lower crude oil prices and safeguard the world economy.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President should—

(1) directly confront OPEC and challenge OPEC to immediately increase oil production; and

(2) direct the Federal Trade Commission and Attorney General to exercise vigorous oversight over the oil markets to protect the people of the United States from price gouging and unfair practices at the gasoline pump.

(3) For the period beginning on the date of enactment of this Act and ending on the date that is 30 days after the date of enactment of this Act, 1,000,000 barrels of oil per day should be released from the SPR.

(4) If necessary to lower the burden of gasoline prices on the economy of the United States and to circumvent the efforts of OPEC to reap windfall crude oil profits, 1,000,000 barrels of oil per day should be released from the Strategic Petroleum Reserve for an additional 30 days.

Mr. SCHUMER. I thank the Chair. If I could make one brief point to my colleague.

Mr. DOMENICI. Sure.

Mr. SCHUMER. Fine. We are only calling for 60 million barrels, at max, to be used. There are 700 million barrels there. Second, this is a swap, which is what was done before. So within 6 months, with presumably the price lower, the amount of oil would be replaced and more so.

Those are two points I wanted to make. I am ready to have a vote.

Mr. DOMENICI. Madam President, I need no additional time. I move to table the Schumer amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from South Dakota (Mr. THUNE).

Mr. DURBIN. I announce that the Senator from North Dakota (Mr. CONRAD), the Senator from Hawaii (Mr. INOUYE), and the Senator from South Dakota (Mr. JOHNSON) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 39, as follows:

[Roll Call Vote No. 147 Leg.]
June 22, 2005

CONGRESSIONAL RECORD — SENATE

S6997

Mr. NELSON of Florida. Madam President, if the Senator will yield and if I may comment, all of those red portions of the chart are for the rise of sea level in Florida, which is the Everglades, sits mainly along the coast. That is where the population of Florida mainly resides. Why can’t the United States insurance industry understand this and get behind this, with the exception of the reinsurance company about which the Senator from Connecticut just spoke? Why can they not understand that it is in their economic interest because it is going to be their insureds who are going to be threatened?

Mr. LIEBERMAN. Madam President, I thank the Senator from Arizona for pointing out that point. And I thank him. I must be Vanna White holding the chart.

I ask unanimous consent, on behalf of the Senator from Vermont, that he be allowed to remain seated—he just had recent knee surgery—as he delivers his remarks for up to 10 minutes.

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

The Senator from Vermont.

Mr. JEFFORDS. Madam President, in my many years of public service, I have always tried to take Government forward on a greener, more sustainable path. That is the path that Vermont has chosen, and that is the way that seems to be most sensible to me. I have worked hard to promote recycling, efficiency, renewable energy, alternative fuels, conservation, and in general the wise and sensible use of our energy resources.

I consider wasting energy a symptom of bad management and economic inefficiency. It also strikes me as an inconsiderate and irresponsible behavior that visits the sins of one generation upon the next. That is what this debate is about. What will we leave our future generations if our actions and vision are too shortsighted and wasteful? We, the United States, have wasted more energy than any other country or civilization on Earth, even as we have built the Nation into an economic and technological superpower. We have wasted more energy than any other country or civilization on Earth, even as we have built the Nation into an economic and technological superpower. We have wasted more energy than any other country or civilization on Earth, even as we have built the Nation into an economic and technological superpower. We have wasted more energy than any other country or civilization on Earth, even as we have built the Nation into an economic and technological superpower. We have wasted more energy than any other country or civilization on Earth, even as we have built the Nation into an economic and technological superpower. We have wasted more energy than any other country or civilization on Earth, even as we have built the Nation into an economic and technological superpower.
The United States can take the blame for approximately 40 percent of the total carbon loading now in the atmosphere, and we are adding more than our share every year.

We have a moral responsibility to remedy that. We have a chance in this Energy bill to begin making reductions in our emissions. Congress must lead on this issue because there is a tremendous vacuum in this administration. The President and the Vice President would prefer that we stick our heads in the sand and hope that it all will go away. Voluntary measures are useless against a problem of this scale. We must use taxes or a market-based program, such as a cap-and-trade program, that will motivate American ingenuity and innovation. We must be aggressive in funding domestic and international programs to decarbonize our energy supplies, upgrade trade opportunities and negotiations to export energy-efficient American products and services. We have a choice in this bill. We can defer action, letting the problem get worse and more costly with each passing year, or we can act now to reduce our wasteful global warming emissions.

My colleagues should remember that generations to come will look back at the climate votes on this bill. If we do not act responsibly, they will know who put their head in the sand and left the planet in worse condition than it is today. It will threaten their communities, the extra intensity of hurricanes, the loss of glaciers, or more frequent heat waves and floods. They will know who wasted the chance to do the right thing for them in the future.

The Senate must adopt strong legislation that reduces our greenhouse gas emissions. No major energy policy bill will get my support without it.

I yield the floor.

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

Mr. LIEBERMAN. Mr. President, seeing none of my colleagues on the floor, I will proceed for a moment or two and then suggest the absence of a quorum.

Yesterday, Senator MCCAIN and I laid down the basic arguments for our amendment. The fact is that the planet is warming. It is warming as a result of human actions, and we are no more just a matter of science, although most scientists agree with this. We can see it. We can see it in the kinds of satellite photos that Senator MCCAIN showed such as in the case of the State of Florida. The most graphic evidence is the satellite photo of the polar icecaps. The way in which they have diminished, shrunk, over the last 10, 15, 20 years is startling, with the obvious effect that the water is rising.

One could pick their favorite story of evidence. The one that we cite a lot is the Inuit people, the native people in northern Canada, saw robins a few years ago for the first time in their 10,000-year history. They did not have a word for "robin." They had to create a word. That reality is something my friend from Vermont is aware of. Senator JEFFORDS has been a great crusader, in the best sense of the word, for environmental protection. He is from the green state as he says. He has been a wonderfully green Senator in the best sense of that term, and I thank him for his support of this amendment.

This amendment is the only amendment that will come before the Senate that will do something about global warming. With all respect to the amendment offered by the Senator from Nebraska yesterday, it offers some technology support, it may request a report or two, but all of its goals are voluntary. We found out in the 1990s that voluntary goals do not work, that the planet has continued to warm. The result of that conclusion was the 1997 Kyoto Protocol. The Bush administration has now taken us out of something that is working, and they have no alternative explanation that it very clear that the amendment Senator MCCAIN and I have introduced sets goals for a reduction of greenhouse gases by the United States much below what Kyoto requires. In fact, I think if you look at the numbers yesterday on one side and the Kyoto Protocol on the other, Senator MCCAIN and I are right in the middle where we like to be. In this case, substantively, we are in the middle.

The Hagel amendment makes meaningful reductions, by 2010, to reduce American emissions of greenhouse gases to the 2000 level. It creates a meaningful market, and it is the only one that does that. It is not oldtime command and control. This is bringing in an enormous number and range of emissions reduction options for businesses and other sources of greenhouse gas emissions. The allowances are allocated at the point of emissions to electricity and industrial sectors. Agriculture can participate in this program on a voluntary basis. They are not covered mandatorily at all.

This is a tremendous opportunity for the agriculture sector of our economy to come in voluntary and say, I want to earn some credits by reducing some sources of greenhouse gas or, even more, I want to make some money by holding some of my land in uses that will absorb carbon dioxide and therefore make my property rise in value. That person can apply to this public corporation we are setting up for funding under this proposal. We do not want to close the door on any technology that will give us the power to run our society and help us deal with the greenhouse gas global warming problem, and that includes but is not limited to, as we said earlier, nuclear.

We also have some very important funding for a separate program for the retooling of manufacturing facilities, particularly targeted to advanced technology automobiles—a major source of greenhouse gas emissions, a major consumer of oil.

Interesting fact that probably a lot of people do not appreciate: Only 2 percent of the source of electric power in this country today is from renewable energy. That is pretty amazing. Most of it is coal, twenty percent is nuclear, and the rest is a mix of renewable sources. When it comes to the transportation sector, just about 95 percent is driven by oil products. That is a big source of greenhouse gas emissions, and of course, a big source of our vulnerability to the kind of crazy oil price shocks we are now experiencing that run through and eat up the budget of every family and every business in our country. So here is another funding program of automobile manufacturing facilities.

This is the only climate amendment that really does something and does it
Climate change is a very real and very present problem. We are no longer at the stage where we ask whether the climate of our world is changing. In the words of the recent USA Today article, the headline read, "The Debate’s Over." Our climate, the climate that has nurtured life on this planet for millennia, is changing, and we—each and every one of us—are bringing that change about.

Climate change in our world poses a significant and real economic danger to our country. We know what is caus- ing climate change. Greenhouse gases, such as carbon dioxide, are piling up in the atmosphere. Where it stays for decades, for centuries—for a very long time, where it traps the heat on this Earth.

We know the amount of these greenhouse gases is rising and that it is higher now than at any time in the last 400,000 years. It is higher at this time than at any time in the last 400,000 years. We know these gases trap more of the Sun’s energy on Earth than is being released back into space. If we do not start cutting global warming pollution, the pile-up of greenhouse gases will lock our planet into a future of such rapid climate change that the results could be devastating to our children and to future generations of Americans and future generations of the population of this world.

This understanding of the climate change challenge we face is international in scope. Last week, the heads of the National Academies of Science of all the G8 countries—the UK, France, Russia, Germany, Japan, Italy, and Canada, plus those of Brazil, China and India—joined the head of the U.S. National Academy of Science in an unequivocal statement calling for “action...now to reduce significantly the buildup of greenhouse gases in the atmosphere’ of our Earth. We must listen to the science.

Colorado, my State, has a lot at stake when it comes to global warming. We have a world-class tourist industry that has flourished because of our State’s natural beauty, its mighty rivers, expansive forests, and majestic plains. Colorado has the best ski areas, I would venture, in the world, and some of the best big game hunting and fish- ing anywhere in the continental United States. Tourism employs almost 1 in 10 people in Colorado. In some parts of our State along the I-70 corridor, it employs almost 50 percent of the people who live there.

The full consequences of global warming are clear. Losses of forest and meadows in our mountains, reduced stream flows, and significantly reduced snowpack. Those realities pose unac- ceptable threats to my State, and the same can be said about every State in America.

Colorado’s municipal and agricultural life is imperiled as well. Colorado is an arid State, similar to most of our States in the West. We have low annual precipitation rates. Our abundant agri- culture and our booming cities are de- pendent on winter snowpacks and reli- able spring runoff. Scientific studies predict less and less snowpack across this country, including Colorado’s Rockies. Studies also predict reduced runoff of the water upon which our water supply system depends. These warnings are dire. These warnings are frightening. They are not abstract con- cepts about the effects of an impending Earth. We know from recent experience the kinds of effects that prolonged drought can have on our major Colo- rado river systems. The droughts for the last several years that have left Lake Powell below a 50-percent level tell us this is a real issue across the West.

There are signs that this continuing change in climate across our world needs to be addressed. For me, in a very personal way, the devasta- tion to agriculture across the State of Colorado when we had the most severe drought that our State has had in over 400 years. I saw the pain in the eyes and in the hearts of farmers and ranch- ers who had to give up their fields and farms and cattle herds because the drought had caused such an economic devastation to the pastures and to the meadows that they relied on for their cattle operations.

We are doing something about global warming. It is an imperative that we act now. We, in the Senate, have a re- sponsibility so that we can be proud, 10 or 20 years from now, when our children look back and ask: What did this Senate do? Did they take a position of courage, to address the issue of global warming or did they simply walk away from an issue because they thought it was too tough to handle?

Next month, at the G8 summit in Gleneagles, Scotland, the United States will be the only nation among the G8 that has refused to embrace a mandatory program to cut greenhouse gas pollution. America’s closest ally, Britain’s Tony Blair, has put climate change at the top of the G8 summit agenda. The heads of Canada, Ger- many, France, Italy, Japan, and Russia have all signed their nations on to mandatory targets, and they have all joined a global market in which anyone who finds a better, cheaper or faster way to cut global warming pollution can profit by their ingenuity.

By contrast, denial and delay in ad- dressing the problem means not only that the problem is getting worse every day but that American businesses, farmers, scientists, and bankers are being left out and cannot benefit from the kind of active carbon trading mar- ket that exists in the European Union today.

I am proud to be a very strong sup- porter of the legislation of Senators McCain and Lieberman because that will help us get down the road to real progress on the issue of global warm- ing.
speech after speech. Prime Minister Blair has said he is willing to stand by our Nation on the challenges of immediate security—the war on terrorism, and the campaign against weapons of mass destruction. But he also said America and Britain have a common goal in the fight against climate change. On the eve of the G8 meetings in Scotland, Mr. Blair has repeated that imperative.

The amendment before us today, called the McCain-Lieberman amendment, is an amendment that takes us in that direction. I am proud to be a sponsor of that amendment. I urge my colleagues in the Senate to vote in support of that amendment.

Mr. President, I yield the floor.

Mr. LIEBERMAN. Mr. President, I was very briefly to thank my friend from Colorado for a very powerful and learned statement. I appreciate his support very much.

I am proud, as we think about how the debate has gone, the Senator from Arizona and I, the Senator from Connecticut, introduced it. Yesterday we had the Senator from California. Today we have Senators from Florida, Vermont, and Colorado.

This is a national problem which is being addressed across the Nation. The fact is, if you put this amendment to the American people for a vote, it would pass overwhelmingly. I hope that sentiment can express itself here before long on the floor of the Senate. I now yield on the floor of the Senator from Ohio, and I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. DEWINE. Mr. President, I come to the floor today to talk about the amendment offered by Senator MCCAIN and Senator LIEBERMAN. Climate change is happening. There is simply no question about that. It is time the United States takes the lead in slowing its pace and decreasing greenhouse gas emissions. The amendment before us now, while it certainly has a great deal of merit, is, I am afraid, drafted in a way that I cannot support at this time.

First, the amendment, if adopted as currently written, sets an unreasonable schedule. Simply put, the energy sector would be unable to adjust quickly enough to adopt new technologies and new operating procedures in the limited time mandated by the amendment. When you are talking about energy, you cannot just change and pivot on a dime. It takes time to build infrastructure and capacity. As of today, the technology for capturing carbon is simply not ready yet. In essence, we have designed an engine that is not quite able to run yet.

Second, the amendment uses the year 2000 as a baseline. This concerns me. It concerns me because the fact is that some companies’ emissions were at an artificially low point in the year 2000, due to the recession and other economic fluctuations. A sound carbon control system has to be fair. If we provide no flexibility to that standard, some companies would bear a higher burden than other companies with emissions at a normal rate at that time.

Third, the amendment does not provide for increased Federal investment into scientific research and development. We have to invest substantially more Federal dollars into the development of the technologies we need to reduce the greenhouse gases causing global warming. For instance, we must provide the time mandated by the amendment.

In the year 2005, we only funded this program at 25 percent of its authorized level. That must change.

We must be bold. We need to be imaginative. We need to be visionary. This is truly a race, and we are not moving forward fast enough. Realistically, greater investments are not going to be made until we, as a Nation, pull our heads out of the sand and accept the reality that climate change is in fact occurring. In 1997, when the Senate debated the issue the last time, the science wasn’t as good. Today, however, we know a lot more, and the science is unambiguously clear. Since 1997, we have had the hottest years on record, and there is now a clear consensus that temperatures have risen globally at least 1 degree Fahrenheit over the last 100 years.

Since 1997, the National Academy of Sciences, our most prestigious, most credible and most vigorous voice for the scientific community, has said that:

Temperatures are in fact rising [and that] national policy decisions made now in the long term future will influence the extent of any damage suffered by vulnerable human populations and ecosystems.

Almost daily we hear reports from the field of natural indicators of climate change. For example, glaciers are melting. Dr. Lonnie Thompson, distinguished professor of geological sciences at the Ohio State University, is an expert on natural indicators. All of his work points to one conclusion: Temperatures are in fact rising [and that] national policy decisions made now in the long term future will influence the extent of any damage suffered by vulnerable human populations and ecosystems.

Every glacier we have any data on is receding. The sea ice in the Arctic and Antarctic is declining. Coral reefs are disintegrating. Snow cover is decreasing. The oceans are getting warmer, and extreme weather events are occurring with increased frequency.

As the world’s biggest emitter of greenhouse gases, the United States has an obligation to take the lead in efforts to control climate change. We have an obligation to be an engaged global player. We have an obligation to urge other nations to join efforts to lower emissions. It is time for our Nation to get into the driver’s seat and take the lead in developing the technology and the alternate energy sources that will become an inevitable part of our future.

Right now, we are falling behind. Japan and Europe are well on their way to developing the very technologies that will be necessary to retrofit our powerplants and make our current infrastructure environmentally friendly. We should be the ones designing and creating and inventing the tools we need to adapt and adjust to their future.

Let me repeat: Climate change is happening and a shift to a new global energy economy is also happening. We cannot avoid it. It is inevitable. Without question, we are going to have to change operations and clean up our powerplants and find alternatives to oil and coal. Do we want to be the buyers of the technology that gets us there or, rather, do we want to be the sellers?

This much is obvious: If we do not do something, in a few years we will be creating jobs, but those jobs won’t be in the United States. They will be in other countries. They will be in Europe; they will be in Japan; they will be other places. That is not the way to go. We will have ourselves to blame and no one will be happy.

I am pleased to say my home State of Ohio is beginning to position itself to face the future and is already involved in efforts to successfully transition to the new energy economy. Ohio has the opportunity to deploy, and in some cases develop, the very technology our own State needs so we can continue to burn coal in our powerplants but with dramatically lower emissions of nitrogen oxide, sulfur dioxide, and mercury. There is a process called integrated gasification combined cycle, IGCC, which will allow coal, including high-sulfur Ohio coal, to be burned more cleanly. The IGCC process immediately reduces the emission of nitrogen oxide. It also makes it possible, for the first time, to capture carbon before it is emitted into the atmosphere.

This is the kind of technology that can put Ohio at the top. As James Rogers, chief executive of the Cincinnati Energy Corporation, said, “We are going to have to develop our own State needs so we can continue to burn coal in our powerplants but with dramatically lower emissions of nitrogen oxide, sulfur dioxide, and mercury. There is a process called integrated gasification combined cycle, IGCC, which will allow coal, including high-sulfur Ohio coal, to be burned more cleanly. The IGCC process immediately reduces the emission of nitrogen oxide. It also makes it possible, for the first time, to capture carbon before it is emitted into the atmosphere.

Similarly, Jason Grumet, the executive director of the National Commission on Energy Policy, called the IGCC process “as close to a silver bullet as we are ever going to see.”

I am making a bet on gasification. I don’t see any other way forward.

Currently, there are only IGCC pilot plants operated in Florida and Indiana. However, American Electric Power, AEP, in Columbus and Cinergy Corporation, for instance, are on track to build additional plants in Ohio and Indiana, respectively. AEP plans to build a $1.6 billion clean coal plant along the Ohio River in Meigs County.
Ohio also can lead the way in commercialization of fuel cell technology which produces electricity by combining hydrogen and oxygen. Cars are one of the biggest emitters of course, of carbon. Fuel cells have the potential of producing electricity directly for vehicles. Ohio is ideally suited to develop this technology and, at the same time, help begin again its leadership in automotive technology.

I applaud Ohio Governor Bob Taft for his new plan to invest significant funds in fuel cells. He has announced a 3-year extension of the Ohio fuel cell initiative which is a $103 million program aimed at making Ohio the leader in fuel cell technology. Over the last 3 years, already the State has awarded $36 million in grants to 24 future cell projects involving academic researchers and small companies. Indeed, Roger McKinley, chairman of the Ohio Fuel Cell Coalition, was correct when he said:

If you want to be in fuel cells, you should be in Ohio.

Use of clean renewable sources of energy is another way to help slow climate change. As we all know, solar power is one of the most commonly recognized sources. Markets have several companies that are developing technologies to lead to widespread commercialization of renewables. For example, First Solar in Perrysburg, OH, is a leader in the development and manufacture of solar collection systems. And Parker Hannifin, headquartered in Cleveland, is developing a hydraulic drive system that can precisely position solar collectors used in a powerplant, thereby increasing their efficiency.

I encourage the State of Ohio to do all it can to become a leader in energy technology. We are on our way, but we need to do more. It could help decide the future, quite candidly, of our great State.

In closing, climate change is here. We have to face that fact. And we have to do it in a practical, workable, intelligent way. I look forward to working with my friend Senator McCain and Senator Lieberman in the months ahead to craft a bill that will, in fact, work: a bill that will work for Ohio, a bill that will work for the United States, and a bill that will put the United States out front on global climate change in dealing with this problem.

I am confident we can, in fact, draft a bill that will own up to our obligations to our children and our grandchildren and, at the same time, will have dates that are practical so the emerging technologies will be ready to meet the needs of the energy sector—technologies that will allow us, for example, to expand the use of Ohio coal, something we have in Ohio in abundance, and which we have in this country in abundance. We also can craft a bill that will frontal more money in research and development and a bill that will use a baseline date that does not unfairly penalize certain regions of the country.

I am confident we can work together to produce such a bill. We can do these things. If we do, the United States will have done the right thing. We will begin the make demonstrable progress in slowing the rate of climate change and in protecting our environment. History is on our side. History is on the side of passing a bill similar to this bill. It is imperative we get it right. It is imperative we do it right.

I thank Senator Lieberman and Senator Lieberman for their courage, for their vision and their leadership in taking up again this tough issue. We must finish the task. I look forward to working with them to do the right thing for Ohio, but, more importantly, to do the right thing for our country and for the world, for our children, and for our grandchildren.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank my friend and colleague from Ohio. He has spoken with characteristic sincerity and thoughtfulness. We talked along the way. I am disappointed we cannot take care of the amendment today, but I am encouraged by the very strong statement he has made recognizing what has changed since we last took up this matter, seeing global warming is a real problem, and wanting to work together with Senator Taft and others to find a solution that is good for the planet, good for the country, and good for Ohio. I thank him for that outreach hand. I accept it, extend myself to him, and look forward to working together in the months ahead to reach a good, balanced, progressive solution.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, sometimes we fall into the trap of thinking all wisdom is in Washington, DC. I noticed an op-ed piece in the Oklahoma Duncan Banner yesterday, written by Steve Fair, wherein he goes through all of his research on the outside, showing virtually all the science since 1999 or since 1998 when Michael Mann came through with his hockey stick, has demonstrated very clearly that the science is not there.

I ask unanimous consent this op-ed piece be printed in the RECORD.

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

[From the Duncan Banner]

*Is It Hot In Here?*

(By Steve Fair)

On USA Today's Wednesday June 15th edition the Senator from Oklahoma presented the opposing view on the issue of global warming. The paper's position was that there is scientific consensus that greenhouse gases are causing climate change and that failure to implement reductions in those gases will cause major problems for future generations. You've heard the theories—a cow's flatulence in Oklahoma is melting the glaciers in Alaska. It takes more faith to believe than is required to believe a sovereign God created the earth in 5 days.

The title of Senator Inhofe’s response to the paper was Evidence is Underwhelming. He presented a list of disputes whose intents are questionable, are promoting mandatory caps on carbon dioxide emissions in the US when the scientific consensus does not warrant such measures. Chairman of the Senate's Environment and Public Works Committee, Inhofe has access to far more detailed scientific information on the global warming issue than the average person.

For years, the global warming issue has always been one that was trumpeted by the environmental wackos. Their passion in saving the earth was only exceeded by their commitment to killing babies in the womb. It was the liberals that heralded the cause, but that has changed.

On the front page of the same issue of USA Today there was a story about the so-called Christian Coalition. It is one of conservative groups which have traditionally been champions of moral issues have now expanded their borders to include taking positions on issues like the environment and human rights.

One of these groups is the National Association of Evangelicals, which represents 52 denominations with 45,000 churches and 30 million members across the country. The current head of the organization is Reverend Tony Haggard, who is an Oral Roberts University grad, did not call me back, but did have an underling call me. The young man confirmed they were. The pastor never called me and I don't expect to hear from him since he knows he cannot defend his position from scripture. If Rev. Haggard wants to preach his tree huggers. Their way has been one that was trumpeted by the environmental wackos. Their flatulence in Oklahoma is melting the glaciers in Alaska. It takes more faith to be social conservative as Inhofe. Their blissful ignorance is not there.

Senators McCain and me and others to find a solution that is good for the planet, good for the country, and good for Ohio. I thank him for that outreach hand. I accept it, extend myself to him, and look forward to working together in the months ahead to reach a good, balanced, progressive solution.

I yield the floor.

Mr. INHOFE. Sometimes we fall into the trap of thinking all wisdom is in Washington, DC. I noticed an op-ed piece in the Oklahoma Duncan Banner yesterday, written by Steve Fair, wherein he goes through all of his research on the outside, showing virtually all the science since 1999 or since 1998 when Michael Mann came through with his hockey stick, has demonstrated very clearly that the science is not there.

I ask unanimous consent this op-ed piece be printed in the RECORD.

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

[From the Duncan Banner]

*Is It Hot In Here?*

(By Steve Fair)

On USA Today's Wednesday June 15th edition the Senator from Oklahoma presented the opposing view on the issue of global warming. The paper's position was that there is scientific consensus that greenhouse gases are causing climate change and that failure to implement reductions in those gases will cause major problems for future
What does this prove? At a minimum, that we have a lot of fat and happy seal pups. What we do not know and cannot know now is whether the current ocean cooling is natural or manmade by carbon dioxide emissions.

Scientists are attempting to explain the current warming and cooling trends through an understanding of the Earth’s climate. However, the climate is composed of a myriad of complex variables. Casual observers have picked out visible warming examples, such as melting glaciers and permafrost as signs of manmade global warming. However, overall climate data is conflicting and gap filled.

Ground-based temperature monitoring turned out to be skewed because it was located near newly urbanized areas and other heat-producing land-management activities.

Satellite readings, in addition to showing the flaws of ground-based temperature readings that explained differences between the different layers of the atmosphere. Other atmospheric conditions beyond our understanding include the role of aerosols or other fine particles and water vapor.

Apparantly, it is brighter than it was a few decades ago. This may be related to airborne particles. This could be as variable as dust storms from China dimming sunlight and causing cooling and changed weather patterns.

Also, a potential huge effect on climate are water vapor and clouds. Everyone knows that a clear night is colder than a cloudy night when the surface heat is allowed to dissipate. We do not know whether warmer temperatures will mean more vapor and clouds or less, more moisture or less, even warmer temperatures are not.

Climate modeling is susceptible to mistakes and manipulation. We have the IPCC Summary for Policymakers also turned up unexplained differences, which we now know the truth based on misreading of these scientists.

As the distinguished chairman of the EPW Committee said, we have hockey sticks. That turned out to be the biggest mistake in the climate science literature. It did not matter what you put into it, the way he set it up, it would cause a hockey stick. Subsequent tests showed it means nothing.

We know Viking farmers used to farm in Greenland. Do you think it was warm then? Was that warming due to coal-fired utilities and automobiles? I don’t think so.

I came across an interesting article in the Des Moines Register Daily: ‘Trust Seal Pups’ Assessment of Climate.’ Apparently, a seal pup’s weight rises and falls with the temperature of the sea. When the sea temperatures are warmer, there are fewer fish. Seal pups’ mothers must spend more time foraging for food and less time feeding their pups. The seal pups’ weights decline. When waters are cooler, there are more fish and heavier seals.

A recent University of California-Santa Cruz study shows that seal pup weights are now increasing in the Pacific Ocean and have been for the last several years. That corresponds with reports of sardine, anchovy, and salmon populations across the Pacific rebounding and growing as the waters cool.

All of this information simply documents a natural 50-year cycle in the Pacific Ocean. It is called the Pacific decadal oscillation. Be sure and write that down because everyone will ask, what did we PDO measure. Twice the previous 50 years of cooling followed by 25 years of warming. We are now starting a cooling period.

The amendment will force those who impose carbon caps because of the massive human and economic toll it would take—the unacceptable number of jobs we would lose, the unallowable number of U.S. manufacturers that would be driven overseas to countries not having these regulations, the unallowable amount of domestic energy resources we would give up, the unthinkable burdens we would place on the economically disadvantaged.

The sponsor of this amendment was quoted in the past as saying, “My first priority is greenhouse gases.” Well, my first priority is human security, health, families and workers. McCain-Lieberman will hurt families, hurt our Nation’s energy security, and drive jobs overseas. I do not want us to be imposing this pain on American families and workers when there is absolutely no assurance it will make any significant, if any, difference on climate change.

Tight family budgets and outsourcing jobs to China—what do they have to do with an environmental amendment? How will fighting so-called climate change amend-ment hurt our seniors and struggling families? The answer is all around us.

Every time we turn on a light it will cost us more. Every time we cool our homes to fight the blazing summer heat it will cost us more. Every time we turn up the furnace to fight the bitter winter cold, it will cost us more. Our fruits, vegetables, and grains, grown strong with fertilizer, will cost us more. Buying a product made of plastic will cost us more.

All of these necessities depend upon electricity or natural gas as a raw material. McCain-Lieberman would drastically force up the price of both. Experts estimate the price of residential electricity would rise an additional 20 percent by the year 2020. How will this drastic increase happen?

The amendment will force those who use electricity by burning coal, like we do in Missouri, to switch to high-priced natural gas, already in short supply, already causing burdens on
low-income people in my State, already forcing users of natural gas, petrochemical and plastic industries, to move out of the United States.

That is why natural gas is already expensive. Supplies are limited. Think what will happen when we demand more natural gas to protect electricity? Prices will go up. Farmers who use it for fertilizer for their crops will drastically be affected.

The average household would lose at least $100 per year by 2010 and up to $1,000 by 2020. But the hardest hit will be seniors and the poor. Higher power and cooling bills will hit those on fixed incomes the hardest. What will they cut? Food, lighting bills, drugs.

What will employers cut when they face higher energy costs, higher prices for natural gas? They will cut jobs or move them overseas. Experts predict up to 40,000 lost jobs in 2010, rising to 200,000 lost jobs in 2020. Is that what we want to do, kill 200,000 jobs a year?

So do not leave us in the lurch. I believe the solution is in new technologies to make clean energy without steep price increases, technologies that will protect our families and protect our workers, technologies that will make our environment affordable, not job ending or poverty inducing.

We need investments in hydrogen and fuel cells. We need investments in clean coal. We need technologies that will let us harness domestic fuel supplies to provide clean energy.

And when we have these clean, affordable technologies developed, we need to deploy them on a commercial scale.

We have super-critical pulverized coal technologies that in the near future will be so efficient that they will reduce the amount of carbon dioxide produced by 25 to 30 percent. And we are working on the Future Gen program to produce electric power with only water released into the environment.

What we need now is to get serious about helping these technologies get to the market. They are more expensive than current plants, so they need some help. The appropriations process under Senator DOMENICI’s leadership is putting more money into clean coal technology, and I thank him for that.

This Energy bill under his leadership has technology deployment provisions that will make clean coal technology affordable. Additionally, Senator HAGEL’s amendment will authorize direct loans, loan guarantees, standby default coverage and standby interest coverage for technologies that reduce greenhouse gases. So I was happy to support that.

Mr. President, I ask unanimous consent that I be granted 2 more minutes.

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

Mr. BOND. We could have clean and affordable technologies. This bill is moving us in the right direction. That is the way we should go. We have technologies such as mentioned by the Senator from Arizona, the integrated gasification combined cycle that turns coal into gas, allows for the capture of pollution and carbon, and someday will allow us to sequester carbon.

This Energy bill is working to make more technology available. Senator HAGEL’s amendment will authorize direct loans. But we could be moving right now to clean up pollution.

This spring in the Environment Committee, the Clean Air Crosslegislation, proposed by the President would cut smog-producing nitrogen oxides by 70 percent, acid-rain-causing sulfur dioxides by 70 percent, and mercury by 70 percent.

These cuts would have come solely from electric power plants. Ninety percent of the local areas violating EPA air standards would come into compliance with this measure. However, our opponents have held this hostage saying that they do not want to clean up NOx, SOx, and mercury by 70 percent because they want to chase the ephemeral carbon cause of global warming.

Well, it is not proven. Mannmade emissions are not proven. But we know what explains carbon dioxide. I considered attaching the Clear Skies legislation to this bill but, unfortunately, opponents would just use that as another excuse to kill both this bill and Clear Skies.

But at the end of the day, if we can reject this unwise, overreaching McCain-Lieberman amendment, we could move forward with a measure that will work to increase our energy supply, reduce our dependence on foreign sources, and provide us cleaner energy.

I urge my colleagues to oppose the McCain-Lieberman amendment.

I ask unanimous consent that a copy of the article I mentioned be printed in the RECORD.

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

TRUST SEAL PUP S’ ASSESSMENT OF CLIMATE (By Dennis Avery)

A new study of the weaning weights of California’s elephant seal pups predicts that a 25-year trend of Pacific Ocean warming has ended.

That means that the second half of a 50-year cycle has begun to cool the northern Pacific. In addition, historical fish catch data indicate the ocean cooling trend is likely to last until about 2025.

Burney Le Boeuf and David Crocker of the University of California, Santa Cruz, monitored the mothers’ weaning weights for 29 years, from 1975 to 2004. The ocean’s temperatures generally increased, and the weaning weights declined 21 percent over 24 years from the study’s beginning until 2000.

The seal pups’ weight decline coincided with an increase in the mothers’ foraging time of 36 percent. A decline in the mothers’ own weights confirmed that fish were relatively scarce. After 1999, however, ocean temperatures moderated, and the baby seals became more abundant and the pups’ weaning weights abruptly began to rise. By 2004 the pups’ weaning weights had recovered to 90 percent of their 1979-1980 levels.

ANCHOR WEATHER

Seal pup weight trends confirm a cycle also found in northern Pacific salmon catches. Columbia River salmon numbers declined sharply after 1977.

And Columbia River salmon catch data, which date back to 1900, clearly reveal 50-cycle oscillations with 25-year abundance interspersed with 25-year periods of salmon scarcity. Gulf of Alaska salmon catch data show a similar but opposite cycle.

President Bush and this Senate’s leadership are putting an end to the widely noted Little Ice Age—by 0.8 degrees Celsius. However, 0.6 degrees of the warming occurred before 1940, and therefore before much human-emitted CO2 was produced.

After 1940, the Earth’s temperature declined moderately until the late 1970s, despite huge increases in human CO2 emissions and the dominance of the CO2 theory. Is it just coincidence that during this period the PDO was cooling the Pacific?

The current surge of public concern about human-caused global warming occurred after the Earth’s average temperatures began to rise again in the late 1970s—which coincided with the PDO’s shift back to its ocean warming phase.

So does the recent shift in the PDO mean the Earth’s average temperatures will start to cool again? Was the ‘‘warmest decade’’ of the Earth’s 12,000 years after the 25-year PDO shift back to its ocean warming phase?

Ice cores and dated sediments have already told us that there is a long, moderate, natural 1,500-year cycle that raises temperatures in New York 2 degrees Celsius during its warming phase and drops them 2 degrees Celsius during Little Ice ages. The Little Ice Age, from 1300 to 1850, was the most recent of these cooling phases.

Now seal pups and sardines are instructing us that ocean temperature trends as long as 25 years can mislead us about cause and effect in the Earth’s climate—which has been cycling constantly for at least the last million years.

We might want global climate modelers and the United Nation’s Intergovernmental Panel on Climate Change to address evidence that朋 before we agree to give up 50 percent of society’s energy supply on behalf of man-made global warming.

Mr. MCCAIN. Mr. President, I yield 10 minutes to the Senator from Delaware on any time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, I thank the Senator from Arizona for yielding
me time. And even more, I express my thanks to him and Senator Lieberman for the leadership they are providing on an enormously important issue for not just our country and our States but, really, I think for the world in which we live. What we do today will have long-lasting effects.

I want to start off today with something of an admission. I want to admit to all of you that I am really a Johnny-come-lately on the issue of global warming. Not that long ago, I believed we needed to act to be able to justify action; that we needed more research to justify action. Not that long ago, I feared that taking meaningful action could very likely mean that we do harm to our economy.

But with the passage of time, like a lot of our Republican friends and our Democrat friends, I have changed my mind. Over the past several years, I have become a believer. Global warming is real. We do need to do something about it. I have enough faith in American ingenuity and our own know-how to believe we can do that without endangering economic growth.

Two of the key people who have helped to educate me on this issue are Dr. Lonnie Thompson and Ellen Mosely-Thompson. Both are professors at Ohio State University. Just last month, Lonnie was elected to the National Academy of Sciences. As an undergraduate student and graduate of Ohio State University, I am proud to say I know them, although neither of them was a professor of mine when I was a student there a long time ago.

Doctors Thompson are not retired academics who sit in Columbus, OH, and pontificate about global warming. They get their hands dirty. They have led some 40 expeditions around the world—to the Himalayas, to Mount Kilimanjaro, and to the Andes in South America—in an attempt to figure out how global warming is changing the face of our most famous mountaintops.

According to Lonnie Thompson:

In 1912, there was over 12 square kilometers of ice on Mount Kilimanjaro.

When the Thompsons went to that mountain in February of 2000, it was down to about 2 square kilometers of ice. Lonnie Thompson projects sometime around 2015—that is 10 years from now—the ice that sits atop Mount Kilimanjaro will disappear entirely.

Freedies of glaciers and icecaps atop mountains in Africa and South America, Lonnie and Ellen Thompson have concluded that many of them will simply melt within the next 15 years because of global warming. And their fear is that little can be done to reverse that.

I would like to share with you today several enlarged photos. I will start with one of the icecaps the Thompsons have studied in the Southern Andes. This first one shows what it looked like in 1978—27 years ago and the second shows the same mountain in 2000. This area here may not look like a whole lot, but that is a 12-acre lake that exists today which did not exist in 1978. There is a lot less ice, a lot of melting, and now we have a lake where a glacier once stood.

Now, that may or may not sound like a lot, but consider this: The Thompsons have been finding that retreat has been 32 times greater in the last 3 years than it was in the period between 1963 and 1978. Just think about that; 32 times greater that this glacier has retreated in the past 3 years than it did back in the 1960s and 1970s.

Now, look at something just a little bit closer to home. Glacier Bay is located along the coast of southeastern Alaska. It is a national park and preserve filled with snow-and-ice-covered mountains. A lot of us have been there, visited, and seen them with our own eyes.

This next photo is of the Riggs Glacier in Glacier Bay. It was taken by the U.S. Geological Survey. I believe, in 1941, over 60 years ago.

Now, isn’t that a picture? It is also the same spot, taken in 2004. There is no ice. The weather warmed up enough that we actually have vegetation. This might be the upside of global warming, but there is a downside as well, and that is the weather. And the weather is something I am going to be focusing on today.

These are just two examples, my friends, and there are plenty more we do not have time for today. Together I believe they spell out an ever more convincing case that our Earth is warming, and at an increasing rate, and what is more those of us who live on this planet are largely to blame.

I want us to consider some facts as we know them. If we could take a look at this next chart. First of all, 9 out of 10 of the hottest years on record have occurred in the last decade. Arctic sea ice has shrunk by some 250 million acres—an area the size of California, Maryland, and Texas combined. Since 1965, huge square miles of ice have broken off of Antarctica and melted.

Skeptics will still try to claim that there is no official link between what we see happening across the globe and the greenhouse gases. But last month, scientists at NASA’s Goddard Institute for Space Studies announced that they have found the “smoking gun” in the global warming debate. What they have done is they have used satellites, special imaging, and ocean-based measurement equipment. NASA scientists found by doing so that for every square meter of surface area, our planet is absorbing almost 1 watt more of the Sun’s energy than it is radiating back into space as heat—a historically large imbalance that these NASA scientists tell us can only be attributed to human actions. Their conclusion:

There can no longer be substantial doubt that human-made gases are the cause of global warming.

Their words, not mine. According to scientists, that imbalance will only get worse over the next century. Computer modeling shows that temperatures may well rise between 2 to as many as 10 degrees Fahrenheit by the end of the 21st century depending on how well carbon emissions are controlled by us here on this Earth. The effects of our doing nothing could be catastrophic. As the Earth’s temperature increases, the extra heat energy in the atmosphere likely will trigger even greater extremes of heat and drought, of storms and wind and rain and even sometimes of more intense flooding. The International Panel on Climate Change estimates that unless global warming is controlled, sea levels will rise by as much as 2 feet over the next 50 years. For our island nations and coastlines, that could mean literally entire communities and beaches wiped out.

I like to joke, but it is really gallows humor, that in Delaware our highest point of land is a beach. A sea level rise of that magnitude would mean that we would not be looking for beachfront property at Rehoboth or Dewey Beach. They might be looking for it closer to the State capital in Dover, DE, than any place along the shore we visit.

The PRESIDENT proclaims. The Senator has used 10 minutes.

Mr. CARPER. I thank the Chair. I also want to quote a Republican friend of mine who recently pledged to cut California’s carbon dioxide emissions by more than 80 percent over the next 50 years:

I say, the debate is over. We know the science. We see the threat, and we know the time for action is now.

I want to ask, what does the chief executive of California know that the chief executive of our country may not yet know? Our country is the largest emitter of greenhouse gases. The Governor knows that. He knows we account for about one-quarter of the world’s manmade greenhouse emissions. He also knows we account for about one-quarter of the world’s economic output. The bottom line is, the United States has a responsibility to lead on this issue.

The PRESIDING OFFICER. The Senator’s time has expired. Does the Senator from Arizona wish to yield any additional time?

Mr. CARPER. I yield the Senator 2 additional minutes.

The PRESIDING OFFICER. Let me check the calculation of allotted time.

It is the understanding of the Chair that 10 minutes that had been yielded has been used.

Mr. CARPER. I yield 3 additional minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator’s time is recognized.

Mr. CARPER. The United States has a responsibility to lead on this issue. Unfortunately, we have not seen a whole lot of leadership coming from
the White House or Congress on global warming—at least not yet. The McCain-Lieberman proposal before us is not Kyoto. It calls for more realistic timeframes for CO₂ reductions and more flexibility for businesses to meet them. In my opinion, the time has come for action. That is not just my opinion, that is an opinion shared by a growing number of American businesses as well. They see the future. They are telling us to act now rather than later.

In the face of overwhelming scientific evidence, most naysayers have moved away from questioning whether climate change is real. They have now pinned their excuse for inaction on the adverse effects carbon constraints would have on the economy. However, some forward-thinking businesses are starting to realize that doing something proactive on global warming represents an opportunity to enhance their bottom line.

Most American businesses are coming to realize that controls on carbon dioxide emissions are probably inevitable. They are saying it makes sense to take small steps now to avoid bigger problems later. A growing number of those companies have concluded that if we act to address climate change now, we can actually help them and their bottom line.

Let me give a couple examples. Companies realize they can make money by being green. GE chief executive Jeffrey Immelt said his company is prepared to support mandatory limits on CO₂ while simultaneously moving forward to double revenues from environmentally friendly technologies and products to $20 billion within 5 years. Here is what Mr. Immelt said:

We believe we can help improve the environment and make money doing it . . . we see it as a business opportunity.

In addition, more shareholders these days are demanding green portfolios. Evangelical and environmental groups as well as State pension fund officials, who together control more than $3 trillion in assets, get it. They are pushing resolutions at shareholder meetings that will compel companies to disclose their financial exposure to future global warming regulations. Their pressure has resulted in many companies developing global warming policies in order to decrease future liabilities and show a greener, more environmentally friendly portfolio.

There is also more pressure among corporate peers to prove their environmental stewardship. JPMorgan recently announced that it would ask clients that are large emitters of greenhouse gases to develop carbon reduction plans. Similar commitments were made earlier by Citigroup and Bank of America.

Other companies, such as DuPont, a major global manufacturer headquartered in Delaware, have already begun taking meaningful steps to reduce their carbon dioxide emissions. In the mid-1990s, DuPont began aggressively maximizing energy efficiency as part of a global climate change initiative. This strategy allowed DuPont to hold their energy use flat while increasing production. Their efforts have reduced their greenhouse gas emissions by 20 percent. As a result, this company $2 billion. Chad Holiday, CEO of the company, said:

As a company, DuPont believes action is warranted, not further debate. We also believe that the time is right for business to lead, not to wait for public outcry or government mandates.

I, too, believe the time has come to act. I also believe that given the right initiatives, even more American companies will rise to the challenge.

As businesses such as DuPont and GE have begun taking steps to address climate change, more and more States and cities are moving to do the same. Just this month, the U.S. Conference of Mayors unanimously passed a resolution calling on their 1,183 cities to try to meet or surpass emissions standards set by the Kyoto Protocol. Nineteen States have developed renewable portfolio standards in an effort to encourage more energy to be derived from clean energy and less carbon producing sources.

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

Mr. CARPER. I ask unanimous consent for 1 more minute.

The PRESIDENTING OFFICER. Without objection, an additional minute is yielded.

Mr. CARPER. There is good news and bad news in all this. On the one hand, you have all these cities and States taking their own course. While that is encouraging, on the other hand, for businesses that need some certainty and a national game plan, there is a problem with that. We don't need a patchwork quilt. What we need is the Federal Government to provide some leadership and certainty for our businesses.

On Social Security, the President says we are going to have a big problem 30, 40, 50 years down the road. In order to avoid a big problem, a big train wreck, we need to take some small steps now. Frankly, the same argument applies to global warming. Thirty, 40, 50 years down the road, we are going to have a huge problem. It could be, if we take some small, measured, reasonable steps today. The sooner we get started, the better off we will be and the less likely that a train wreck will occur 30 or 40 years later in this century.

I yield back my time, and I thank my colleagues for their leadership and for the extra time.

The PRESIDENTING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 45, AS MODIFIED

Mr. LIEBERMAN. Mr. President, I thank my friend from Delaware for a very compelling statement. If anybody wasn't listening to what he had to say, look at the pictures, understanding that he didn't start out being in favor of this, but the science brought him in this direction. When people look at it with an open mind, they will join us. I thank him for his support.

I ask unanimous consent to make a minor modification to the amendment Senator McCain and I have offered and send a modification to the desk. On page 100 of our amendment, it would strike lines 16 through 20. I believe it has been cleared on both sides.

The PRESIDENTING OFFICER. Without objection, the amendment is so modified.

The modification is as follows:

On page 100, strike lines 16 through 20.

The PRESIDENTING OFFICER (Mr. SUNUNU). Who yields time?

Mr. INHOPE. Mr. President, I yield 10 minutes to the Senator from Idaho.

The PRESIDENTING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, let me thank my colleague from Arizona, Mr. MCCAIN, and Mr. LIEBERMAN, for bringing this debate to the Senate floor. Let me say to my colleague from Delaware, he has made a very compelling statement for sustaining the status quo. America and America's industries have awakened to the extra time. We recognize and are moving this country toward cleaner energy and cleaner industry faster than any command and control Federal regulation could bring us there. Last year, a 2.3-percent reduction in greenhouse gases. We projected a 3 percent, and all within the economy and all within the initiative of boards of directors and city councils and urban areas. Why? Because there is a belief that it is necessary and important for us to drive down the emission of greenhouse gases without the Federal Government stepping in and taking away the very value of a free market and beginning to command and control a market and shape it in what we would like it to be, if not done well or on the wrong science, a distorted market false way.

What we passed yesterday was very clear—incentivize, bring in new technology. The Hagel-Pryor amendment that was agreed to by a bipartisan majority is consistent with where this administration and where our initiatives have been going now for well over a decade.

We are beginning to see the results. What haven't created a huge Federal bureaucracy. We haven't picked winners and losers. We have allowed the DuPonts and the other major companies of this country to recognize the value. We have even incentivized them to some extent. But more importantly, America recognizes that if we use our markets and our technology, we can be much cleaner than we are without command and controlling and creating a Federal bureaucracy that just might get it wrong.

Here is what happens when you blend politics and bureaucracy. Let me make this point because Senator LIEBERMAN

S7005

CONGRESSIONAL RECORD—SENATE June 22, 2005
was on the floor yesterday making the point. I want to broaden what he said. It is important for us to understand the politics of the business we are in. The politics of the business is now the G8. We have the President going to the G8. The chairman of the G8 is Tony Blair. Tony Blair has been quite active in promoting the political greens of Europe because he got out of favor with them in Iraq, and he is making climate change his initiative. But he is also over in Brussels bidding for more credit because he can’t get it in the country. There is fear of shutting down the economy because the technology is not yet there to get Great Britain there. That is the politics across this issue and the politics across Europe.

My colleague, Joe Lieberman, did something, and it is not a criticism at all. On the joint science academies’ statement of a month ago, I noticed two very big polluters, India and China, are signatories of this national academy statement. They are the problem. They are going to burn a lot more and they don’t plan to do anything about it. But they are concerned. Here is the lead paragraph:

There will always be uncertainty in understanding the complex as the global climate. However, there is now strong evidence that significant global warming is occurring.

And then they go on. I took issue with the lead paragraph and wrote to the chairman of our academy because they are a signatory. I said: What is wrong here? Why are you changing your course and direction? Bruce Alberts wrote back to me.

I ask unanimous consent that these letters be printed in the RECORD.

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

U.S. Senate.

WASHINGTON, DC, JUNE 8, 2005.

Bruce Alberts, Ph.D.,
President, National Academies of Sciences,
Washington DC.

Dear Mr. Alberts: I received a copy of the ‘Joint Science Academies’ Statement: Global Response to Climate Change’ yesterday and read it with great interest. I was pleased that the recommendations contained in that Statement mirror actions that our government has taken during the last five years to address the potential threat of climate change and reduce greenhouse gases.

As you know, the United States has committed billions of dollars to mobilize the science community and enhance research and development efforts which will better inform climate change decisions. Indeed, the Administration has initiated the Climate Change Science Program Strategic Plan that the Academy reviewed and endorsed. Moreover, the United States is engaged in extensive international efforts on climate change, both through multilateral and bilateral activities. The United States is by far the largest funder of activities under the United Nations Framework Convention on Climate Change.

So, it was with dismay that I read the attached press release from the Royal Society, attempting to characterize the Joint Statement as a rebuke of U.S. policies on climate change. Statements such as: ‘The current U.S. policy on climate change is misguided. The Bush Administration has consistently refused to accept the advice of the U.S. National Academy of Sciences (NAS)’ contained in the press release are offensive and inconsistent with my understanding of the facts. Moreover, the interpretation of the NAS 1992 report on climate change is also contrary to my understanding of that document. Indeed, it appears to me that the Joint Statement is being hijacked by the Royal Society for reasons that have nothing to do with the advancement of scientific understanding of this complex and controversial subject.

I would appreciate a clarification of the meaning of the Joint Science Academies Statement. I am also interested in the origins of this Statement and am very curious about the timing of the release of this Statement.

Thank you for your prompt attention to this request.

Sincerely,

Larry E. Craig,
U.S. Senator,

WASHINGTON, DC.

Dear Senator Craig: Thank you for your letter of June 8 concerning the statement by eleven science academies on Global Response to Climate Change. I was very dismayed when I read the press release issued by the Royal Society, especially the quote by Dr. Robert May contained in your letter. Their press release does not represent the views of the U.S. National Academy of Sciences, and it was not seen by us in advance of public release. The press release is not an accurate characterization of the academies’ statement, and it is not an accurate characterization of our 1992 report.

I have enclosed a copy of the letter that I sent yesterday to Dr. May, President of the Royal Society, expressing my displeasure with their press release.

The eleven academies statement was carefully prepared, and in our view it is consistent with the findings and recommendations of previous reports issued by our academy that underwent rigorous review. These reports include the Policy Implications of Greenhouse Warming: Mitigation, Adaptation, and the Science Base (1992) and Climate Change Science: An Analysis of Some Key Questions (2001).

Our hope was that eleven academies statement would be useful to policy makers as they deal with this important issue. Regarding the timing of the statement, the goal of the academies was to have the statement released prior to the G8 summit in July. The participating academies planned for a release in May, but preparation of the statement and securing its approval took longer than anticipated. As soon as the statement was approved by all of the academies, it was released a few days later.

I would be glad to provide any additional information or answer any remaining questions you may have.

Sincerely,

Bruce Alberts,
President.

NAiK.

WASHINGTON, DC, JUNE 8, 2005.

Dr. Robert May,
President, The Royal Society,
London U.K.

Dear Dr. May: I am writing with regard to the press release of June 7, 2005 by the Royal Society entitled ‘Clear science demands prompt action on climate change say G8 science academies’. There, I was dismayed to read the following quote from you: ‘The current U.S. policy on climate change is misguided. The Bush Administration has consistently refused to accept the advice of the U.S. National Academy of Sciences (NAS).’

The NAS concluded in 1992 that, ‘Despite the great uncertainties, greenhouse warming is a potential threat sufficient to justify action now’, by reducing emissions of greenhouse gases.

Your statement is quite misleading. Here is what the report that you cite actually said: ‘Despite the great uncertainties, greenhouse warming is a potential threat sufficient to justify action now. . . . This panel recommends that the options presented below through a concerted program to start mitigating further build-up of greenhouse gases and to initiate adaptation measures that are judicious and practical . . . the recommendations are generally based on low-cost, currently available technologies’. (Policy Implications of Greenhouse Warming: Mitigation, Adaptation, and the Science Base, p. 72; 1992).

By appending your own phrase, ‘by reducing emissions of greenhouse gases’ to an actual quote from our report, you have considerably changed our report’s meaning and intent. As you know, a statement resembling yours was present in the Royal Society’s initial draft for a G8 statement. However, it was removed for carefully explained reasons from subsequent drafts. Thus, the relevant statement in the final G8 text is as follows: ‘The scientific understanding of climate change is now sufficiently clear to justify nations taking prompt action. It is vital that all nations identify cost-effective steps that they can take now to assist in the substancial and long-term reduction in net global greenhouse emissions’.

The actual text of the G8 statement that was approved is perfectly consistent with what we have been telling our own government in a variety of reports since 1992, whereas your interpretation of our 1992 report is not. As you must appreciate, having your own misinterpretation U.S. Academy work widely quoted in our press has caused considerable confusion, both at my Academy and in our government. By appending your own phrase in this way, you have in fact vitiated much of the careful effort that went into preparing the actual G8 text. As an unfortunate consequence, I fear that Ralph Cicerone, could find it difficult to work with the Royal Society on future efforts of this kind—both in this and other important areas for the future of the world.

Sincerely yours,

Bruce Alberts,
President.

THE ROYAL SOCIETY,

Professor Bruce Alberts,
President, National Academy of Sciences,
Washington, DC.

Dear Bruce, Thank you for your letter of 8 June 2005. I am naturally concerned that our press release has caused much difficulty for you in the Academy and with your Government.

I have read again the relevant part of your 1992 report. Your 1992 quote, says, of course, ‘despite the great uncertainties, greenhouse warming is a potential threat sufficient to justify action now.’ It then goes on to say ‘The panel recommends that the options presented below through a concerted programme to start mitigating further build up of greenhouse gases . . . .’ Your report, and the one immediately on the same page in the section headed ‘Reducing or Off-setting Emissions at Greenhouse Gases’ says...
Energy policy recommendations include reducing emissions related to both consumption and production.” The next three pages of recommendations go into detail about how to achieve these objectives.

Given the very clear recommendations that your 1992 report contains for reducing greenhouse gases, I fail to see how you could make the accusation that our press release misrepresents its contents. And clearly your 1992 report remains a definitive statement of explicit agreement from the Academy and only issued the release after we had obtained website of the Brazilian academy. And we seen appears rather favourable, as has been the media coverage in the UK. Indeed, the Philadelphia Inquirer published a supportive edition today.

Some of the coverage has suggested that the release of the statement showed “uncharacteristic political timing.” Of course, this was by accident, rather than design. We had originally hoped to publish the statement on 24 May, but agreed to delay until 8 June at your request. We were completely unaware when we agreed to the change of date that this was so close to the Prime Minister’s visit to Washington.

In the event, when we moved forward the release by a day when it became apparent that British journalists had discovered a neat-final draft of the statement on the website of the Brazilian academy. And we only issued the release after we had obtained explicit agreement from the Academy and even delayed contacting journalists until your officials had had the opportunity to brief the White House.

I am confident that we acted perfectly properly and am surprised by your comments. I am sure that our two academies will continue to work closely together as we have done in the past and as both organizations with such similar objectives.

Yours,

Robert M. May
President

Mr. CRAIG. Mr. President, he said they had not changed their course and direction and they didn’t agree with the Royal Academy’s statement. They thought it was misleading. That is not what they said, not what they believe. It is not what they intended.

The National Academy of Sciences wrote a letter to the Royal Academy. The Royal Academy basically said stuff it, it is our interpretation of what you said and we have a right for our own interpretation. No, the Royal Academy does not have a right to reinterpret the statement that have placed in the ground.

The reason why we are having this game-man with the National Academy of Sciences is because this is ripe politics. It is not substantive science. While there are those of us who believe there are strong indicators that this world is getting warmer, we are not so sure about the science yet. But we are sure—and that is why this legislation we are adding this amendment to, or attempting to add the McCaig-Lieberman amendment to, all about “clean” and all about new technology that is less emitting, has less greenhouse gas in it, and recognizes the importance that our country lead in this direction.

I spoke about that yesterday. I spoke about the intensity indicator as it relates to units of production instead of the false game of capping, because that is where you show how much carbon you are using to produce an element or an indices and a unit of economic growth. That is what this all ought to be about. The Hagel-Pryor amendment is about that. I am not going to slip into what some would call the false argument of what you said, not what they believe.

Let me tell you where it is. A few years ago, when we were debating against Kyoto and we said it would cause a recession here and cost nearly 3 million jobs, it was laughed at by some at that time. I am sorry, you were wrong and a few of us were right.

Here are the facts to prove it. The chart speaks for itself. In the industrial sector, during the depth of the last recession we have just come out of, we lost about 2.5, 2.6, or 2.7 million jobs in that sector of our economy. It drove them down by levels of greenhouse gas emissions. In other words, we hit low. But there is a profound argument to be made if you decide you are going to cap and control carbon in our country and distort the market and don’t drive us toward new technologies of gasification and all of those things that reduce carbon in the atmosphere.

Now, we have continued to grow some in transportation, residential, and commercial. But in the industrial sector, whereas, if we had accepted the Kyoto protocol, accepted McCaig-Lieberman in principle, we would have had to have the regulations to accomplish 1990 levels, and that would have been the consequence.

Now there is a strong, legitimate economic argument that has to be made. That we have to work its will, and you incentivize the economy to do exactly what it is doing, to do what the Senator from Delaware talked about, energy being used by industry in a way that is cleaner, every time you cap and control you place a cost on this country, that is a cleaner job. Why? Because it is employment from new technologies, and that economic unit of production is less carbon intensive, and those are the realities of where we are. We expressed that very clearly yesterday in the Hagel-Pryor amendment.

It is all about science, about new technologies, about creating partner-ships with our foreign neighbors. It is not command and control and penalize. We want Third World nations to step up and to grow and to improve the economy and, therefore, the livelihood of their country for their own people. You don’t do that by controlling them. That is why China would not step into this. That is why India would not step into it at the time of Kyoto and the protocol itself. Now they may be playing political games in this national academy joint statement of a month ago, they did not do it substantively at home on the ground? China is going to burn a lot more coal in the future and, in large part, the way we can help them is to help ourselves by incentivizing the use of gasification and bringing that technology online, and doing so not with commanding and controlling but encouraging, incentivizing.

De Tocqueville was right, that regulations could kill the great American experiment. Regulations are the antithesis of freedom and freedom in the marketplace, so incentivizing is doing for us exactly what we want done on climate change today, changing the character of how we do it and the character of the energy we use and the cleanliness of it. It is beginning to recognize if you are for climate change, you have to be for nuclear electric generation and a combination of a lot of other things.

And, our colleagues will oppose McCaig-Lieberman. Command and control will not get us where we want to get without costing us jobs and building a big Federal bureaucracy to regulate the system. I yield the floor.

Mr. MCCAIN. Mr. President, I yield myself 2 minutes. I hear a lot of conversation in private, and sometimes even on this floor, about being political and the reasons for action are political. The Senator from Idaho just said a great disservice to the Prime Minister of England, Tony Blair. I happen to know him. I have discussed this issue. To impugn his motives as the Senator just said—trying to get back with his buddies because of his support—that is character assassination. It is patently false and a great disservice to the leader of one of our great allies.

I would never question the motives of my opponents. To say the Prime Minister of England is motivated by political reasons for the strong and principled stand he has taken on climate change demanded my response, because I know he is an honorable man and not on this issue driven by political reasons.

I yield the floor.

Mr. CRAIG. Will the Senator yield for a moment? Mr. President, will the Senator from —

Mr. INHOFE. I yield one additional minute to the Senator from Idaho.

Mr. CRAIG. The Senator from Arizona suggested I am impugning the motives of Tony Blair. If I am, I apologize for that. I have submitted for the
record the statements of the Royal Academy of Science and the statements of the National Academy of Sciences, and I will let them speak for themselves. I know the politics in Europe probably as well as my colleague from Arizona. I know it is a very green politician. I think the President and this Government to ratify Kyoto and the Kyoto protocol. We have said no to that. Tony Blair has put unmitigated pressure on this President. He has even lobbied us individually on it, suggesting we ought to get this President to change his mind.

The Senate spoke yesterday. The Senate has not changed its mind. We support our President. The timing, as the Senator from Arizona knows, of this was uniquely special in light of a July 8—I believe it is July 8—conference of the economic powers. So I would imply there is a lot of politics in this. I will take out of that conversation the personality of Tony Blair, although personally I lobbied me and other Senators.

Mr. MCCAIN. Mr. President, I am not going to continue this because I am afraid it may evoke further comments by the Senator from Idaho that may further damage the reputation of a great European leader, who is obviously committed to addressing the issue of climate change. I will just say that in the joint academies’ statement, it says in the global response to climate change, there will always be uncertainty in developing a system as complex as the world’s climate. However, there is now strong evidence that significant global warming is occurring.

The question is: Are we going to do something meaningful about it, or are we going to have a figleaf, such as we just passed with the Hagel amendment?

I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. OBAMA. Mr. President, in every generation, there are several defining moments when we have the chance to take a new course that will leave our children a better world. Addressing the threat of global climate change is one such moment.

Climate change is not just about a particularly hot summer or cold winter. It is not just about a few species of plants and animals. And it is not some far-off threat we don’t have to worry about for hundreds of years.

While there are some who still argue with the overwhelming scientific evidence that details the full magnitude of the problem, the evidence is now all around us. The problem is here. And the solution needs to come now.

Since 1980, the Earth has experienced 19 of its 20 hottest years on record, with the last three 5-year periods being the three warmest ever. This is the fastest rise in temperature for the whole hemisphere in a thousand years.

Here in America, we have seen global warming contribute to the worst drought in 40 years, the worst wildfire season in the Western States ever, and floods that have caused millions of dollars in damage in Texas, Montana, and North Dakota. Sea levels are already rising, and as they continue to do so, they will threaten coastal communities.

If we do nothing, these problems will already get more severe. Warmer winters may sound good to us, but they also mean longer freeze-free periods and shifts in rainfall that create more favorable conditions for pests and disease and less favorable conditions for crops such as corn and soybeans.

As more forests and farms are affected, millions of jobs and crops we depend on could be jeopardized.

There are also health consequences to climate change. Rising temperatures mean that insects carrying diseases like malaria are already spreading to more regions throughout the world. And the reduction in ozone layer protections means that more children are likely to develop skin cancer.

Even if we stopped harmful emissions today, we are headed for a one degree increase in temperature by the year 2010. And since we won’t stop emissions today, the temperature outside may increase up to 10 degrees by 2100.

To Illinoisans watching this debate, that means your grandchildren—when they become grandparents—may see Illinois summers as hot as those in Texas, if we don’t act now. And those summers in Texas will be more unbearable.

So what can we do now to protect our planet and our people from the effects of global warming? The first step is to adopt the McCain-Lieberman amendment. This bipartisan approach to addressing climate change is not only good environmental policy, it is good economic policy.

This amendment allows the market to determine the best approaches to reducing greenhouse gas emissions and rewards those with the most cost-effective approach by enacting a cap-and-trade allowance system. The revenues generated from this program will go directly to training workers, helping the industries most affected by the reductions cap, and providing the necessary funds to ensure that the United States, not China or India, is the leader in energy innovations such as coal gasification, smaller and safer nuclear plants, and advanced technologies.

Since so many people in Illinois depend on coal for jobs and for energy, and since America is essentially the Saudi Arabia of coal, I am also pleased that this amendment will specifically allow for the Indonesia and extra allowances for coal companies that use carbon sequestration methods.

The underlying bill will provide $200 million for clean coal technology, $500 million for coal pollution technologies, and $2 billion for clean coal-based power generation technologies.

This two-track approach—a strong investment in clean coal, coupled with providing certainty to industry so they may prepare for investment in these technologies today—is the right approach to both strengthen our economy and lead us toward the 21st century energy policy.

The United States should be leading the world in investing in existing technologies that harness coal’s power while reducing its pollutants.

We now have applications to construct 100 new coal plants. Plants all over the world will get built no matter what, but if we do not make sure each one is equipped with the right technology, future generations will be forced to live with the consequences—dirtier air and dangerous climate change.

We know this country’s scientific minds already have the ideas to lead the United States into the future. In this increasingly competitive global marketplace, government needs to do its part to make sure these ideas are developed, demonstrated, and implemented here in the United States, and the McCain-Lieberman amendment can do just that.

Let me make two final points. This administration repeatedly says it will base its policies on sound science. The PRESIDING OFFICER. The Senator has used 5 minutes.

Mr. OBAMA. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. The Senator is recognized for an additional minute.

Mr. OBAMA. I thank the Chair.

The science is overwhelming that climate change is occurring. There is no doubt this is taking place. The only question is what are we going to do about it.

The previous speaker, the fine Senator from Idaho, indicated that our economic growth might be hampered by acting with the United States. The fact is, when we look at similar strategies that were developed in passage of the Clean Air Act in the 1990s, it turned out that the costs were lower and the benefits higher than had been anticipated. Economic growth was not hampered; rather, innovation was encouraged and spurred in each of these industries.

The last point I wish to address is the point that was made that other countries may be polluting a lot more than we are. I think that is a legitimate concern, but it is impossible for us to encourage countries such as China and India to do the right thing if we, with a much higher standard of living and having already developed ourselves so we are the energy glutton of the world, are unwilling to make these modest steps to decrease the amount of emissions that affects the atmosphere overall.

For all we the wealthy nations cannot do it, we cannot expect developing nations to do the same. That is why taking this important step with McCain-Feingold—is so important. That is why I
congratulate both Senator LIEBERMAN and Senator MCCAIN for taking this important step.

I urge all my colleagues to support this amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I thank my friend. I don’t mind him calling it McCain-Feingold.

Mr. OBAMA. That passed.

Mr. LIEBERMAN. We are going to stick with this as long as Senator McCAIN and Senator FEINGOLD have, which is to say, until it passes.

I thank the Senator from Illinois for a very eloquent statement.

Mr. President, I am very happy to see the Senator from Hawaii, Mr. AKAKA, is here. He has asked for up to 10 minutes.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for up to 10 minutes.

Mr. AKAKA. Mr. President, I thank Senator LIEBERMAN.

Climate change is a topic that is very important to Hawaii, Pacific islands, and coastal States in general. I have served on the Senate Committee on Energy and Natural Resources since I joined the Senate in 1990. The committee has held hearings on global change almost every year since then, regardless of which party held the majority. It has become clear that an omnibus energy bill that addresses the production and consumption of greenhouse gases, because 98 percent of carbon dioxide emissions are energy related.

For more than 20 years, the National Research Council, the International Panel on Climate Change, and Federal agencies, including the National Science Foundation, the National Oceanic and Atmospheric Administration, and the Department of Energy, have been investigating climate change to broaden our understanding of the interactions of the oceans and the atmosphere, and the modeling of terrestrial and coastal impacts of climate change. Fifteen years ago, scientists were uncertain about the effects of global warming. Today, nearly 95 percent of scientists say that global warming is a certainty.

Most recently, the national academies of science of 11 nations joined together in a joint science academies statement on the need for a global response to climate change. Among the prestigious scientific bodies signing the statement was our Nation’s National Academy of Sciences, the Chinese and Russian Academy of Sciences, and the Science Council of Japan. The signatories urged all Nations to take prompt action to reduce the causes of climate change and ensure that the issue is included in all relevant national and international strategies.

I believe that the relatively small cost of taking action now is a much wiser course of action than forcing States and counties to bear the costs of severe hurricanes and typhoons, and replacement of bridges, roads, seawalls and port and harbor infrastructure. In my part of the world climate change will result in a phenomenon that strikes fear in the hearts of many island communities. This phenomenon is sea level rise. Sea level rise, storm intrusion and overwash, flooding of lowwater areas and seawater intrusion into wells, and increasing flooding will impose very high costs on island and coastal communities, but these costs, which are real and are happening already, are not being addressed.

I would like to describe some disturbing recent information that relates to sea level rise. Scientists at the 2004 Climate Variability and Predictability program, also known as CLIVAR, under the auspices of the World Climate Research Programme, have offered evidence that global warming could result in a melting of the Greenland Ice Sheet much more rapidly than expected.

The World Climate Research Programme (WCRP) is a group of renown scientists that focuses on describing and understanding variability and change of the physical climate system on time scales from months to centuries and beyond. The research has important implications for landscapes and low-lying areas and communities worldwide, from Native communities in Alaska along the shores of the Bering Sea, to the Pacific nations of low-lying atolls, to the bayous of Louisiana and the delta regions in Bangladesh.

Using the latest satellite and paleoclimate data from ice cores of the Greenland Ice Sheet, the world’s largest ice sheet, studies indicate that the last time the ice sheet melted entirely was when the temperature was only three degrees Celsius higher than it is today. At first this puzzled scientists because it didn’t seem that such a modest temperature rise could melt so much ice.

However, recent expeditions have revealed large pools of standing water which feed enormous cracks in the ice sheet, over a mile deep. Scientists believe the water falls down the cracks all the way to the bottom of the ice sheet and could easily enable the glacier to slide more rapidly into the sea. They believe the ice sheet could break up at a much lower temperature than previously thought. Current projections for warming due to greenhouse gases are relatively small. Future warming could rise three degrees Celsius in less than 100 years, almost guaranteeing the melting of the Greenland Ice Sheet.

Complete melting of the ice sheet would result in a 6 meter, or about 18-foot, sea level rise, inundating many coastal cities and causing small islands to disappear. The effects are expected to be felt in high latitude regions earlier than others. In 2004, the Senate had field hearings in Alaska where Native villages are experiencing the effects of sea level rise. At Whale-Skate Island at French Frigate Shoals, some of the 200 Monk seals that were there in 2005, have died. They are known to be one of the most pristine atoll and coral reef ecosystems left in the world and are currently in protected status as a marine reserve. The Northwestern Hawaiian Islands is an archipelago of atolls, shools, and coral reefs that are a 2-day boat trip or 4-hour plane flight from Honolulu. They are known to be one of the most pristine atoll and coral reef ecosystems left in the world.

I am particularly concerned for islands in the Pacific. There are changes in our islands that can only be explained by global phenomena such as the buildup of carbon dioxide. Globally, sea level has increased 6 to 14 inches in the last century and it is likely to rise between 7 and 23 inches by 2100. This would be a 1- to 2-foot rise. You can imagine what this might mean to port operators, shoreline property owners, tourists and residents who use Hawaii’s beautiful beaches, and to island nations in the Pacific whose highest elevation is between three and 100 meters above sea level. A typhoon or hurricane would be devastating to communities on these islands, not to mention the low-lying coastal wetlands of the continental United States.

I am alarmed by changes in Hawaii. The sandy beaches of Oahu and Maui are eroding. In addition, we have lost a small atoll in the Northwestern Hawaiian Islands. The Northwestern Hawaiian Islands is an archipelago of atolls, shools, and coral reefs that are a 2-day boat trip or 4-hour plane flight from Honolulu. They are known to be one of the most pristine atoll and coral reef ecosystems left in the world.

Today, it is all water except for one-tenth of an acre. The 17 acres of habitat for Monk seal pups, nesting birds and turtles that has been there since the turn of the century, is virtually gone. Although atolls and shoals can lose their land area from seasonal wind and erosion, this one is almost entirely gone and has been “downgraded” from an island to a “part-time sand spit.” Similar fates face communities located on low-lying Pacific islands.

The residents of the Pacific island nation of Tuvalu are considering relocation from their homes. Rising sea levels has turned their wells salty and filled their crop-growing agricultural areas with sea water. The impacts of climate change are not limited to rising sea levels and atolls. Falling sea levels, caused by melting ice sheets, or their disappearance, are driving sea level change. It is time to connect the dots with respect to global warming.

We must take a first, cautious step to stabilize greenhouse gas emissions.
Business Week article, have seen cost savings and business benefits. The Pew Foundation for Global Climate Change reports that most industries have been able to meet their self-imposed goals through efficiencies alone, without requiring heavy capital investment. This is an opportunity to unlock the talent of businesses, engineers, and the Nation’s entrepreneurial spirit to create efficiencies in fuel processing and to develop carbon-limited fuels.

The time to act on carbon dioxide is now. The Lieberman-McCain amendment is a step forward and a symbol of the Nation’s commitment to the world to reduce our carbon emissions. The amendment uses markets to determine how to manage specific emission reductions, a positive combination of bipartisan policy principles to establish a mechanism that will benefit the nations around the world. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Who yields the floor? Mr. INHOFE. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. INHOFE. Mr. President, in regard to the three times, first of all on McCain-Lieberman, how much time is remaining? The PRESIDING OFFICER. The Senator from Oklahoma has approximately 2 minutes remaining, and the Senator from Kansas.

Mr. INHOFE. No, McCain-Lieberman. The PRESIDING OFFICER. Senators McCain and Lieberman have approximately 21 minutes remaining. The Senator from Oklahoma has approximately 27½ minutes, and the Senator from New Mexico has 18 minutes remaining.

Mr. INHOFE. Mr. President, on behalf of the Senator from New Mexico, I yield whatever time he may consume to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. BROWNBACK. Mr. President, I thank my colleague from Oklahoma for yielding time off Senator Domenici’s allotment.

I rise today to address the important topic of global climate change, the McCain-Lieberman amendment. I am a strong fan of both the sponsors of this bill. I believe them to be excellent legislators, wonderful individuals, outstanding Senators from both sides of the aisle. They represent this country in the greatest traditions of the democratic and this body. These are outstanding individuals.

I have wrestled with the time with the issue of global climate change. I call it a problem because I believe it to be so. I believe global climate change is occurring. Furthermore, I believe this occurrence can be traced, in some part at least, to man’s increased emissions of carbon into our atmosphere.

Some believe carbon to be a pollutant. However, I do not believe this to be the case. Carbon is a naturally occurring element in our environment. It is essential to our survival as human beings. Carbon is a greenhouse gas. Yet, the greenhouse effect is also critical in certain aspects for our survival as well. Without the warming effect provided by carbon dioxide, greenhouse gases, the primary being water vapor, we would freeze. So it is important. We clearly need greenhouse gases in our atmosphere. Yet, on the question of carbon loading in our atmosphere, we must ask how much is too much.

With respect to global climate change, I think we must be persistent, temperate, and wise. We must pay close attention to what the science is telling us. Our actions, which will have real consequences with both the climate and our economy, must be based on data and not on rhetoric.

As I stated at the outset, I admire Senators McCaIN and LieBERMAN for their persistence in the pursuit of their legislative action on climate change, addressing a real issue in a serious manner. They both have done an outstanding job in shaping the climate change debate thus far. However, I do respectfully disagree with my colleagues that we are at the point in this debate at which we ought to be enacting cap-and-trade regulatory regimes offered in their amendment.

In fact, in taking a look at some of our friends around the world who have implemented a mandatory cap-and-trade system, I believe that the facts show that this approach has not worked. There is another method, another way, for us to approach this.

Canada, for instance, which has enacted the Kyoto treaty cap and trade, projects it will exceed its Kyoto commitments by well over 50 percent. Japan, the “home of Kyoto,” has projected it will exceed its Kyoto commitments by 34 percent. Our friends in the EU are projecting they will miss its Kyoto commitments by 7½ percent. Many other projections coming from places other than Brussels have the EU doing even worse. In fact, only two European Union countries, the United Kingdom and Sweden, are on track to meet their Kyoto targets.

Germany, despite its head start on shutting down some of the industrial base actually of East Germany after reunification, is not projected to meet its Kyoto targets. In fact, they have switched to nuclear production and away from traditional sources of power like coal. I believe nuclear power needs to play a greater role in our own power generation, and I think it will lead clearly to reductions in greenhouse gas emissions.

I respect Sweden for their adoption of nuclear power, and it is my hope the
United States will see fit to follow suit, as it fits, in this country.

The United Kingdom is meeting its target by three fundamental shifts in their economy, two of which I do not believe to be helpful. First, they are burning more coal and more natural gas due to large stockpiles of natural gas. This is actually as a result of Prime Minister Thatcher’s desire to break some of the unions organized around coal in the 1980s. This accounts for about 14 percent of their reduced. I wish we had the natural gas base that they do. We have some. We have some in my State. It looks as if we will be able to bring in more liquefied natural gas. That will help. But that model does not particularly fit within the United States.

The second place in which the United Kingdom has reduced its carbon emissions is by losing manufacturing and industry jobs to developing countries such as China and India. That is not a model we want to follow. The United Kingdom may get credit for reducing emissions, but it goes to developing countries like China and India that in many cases are using outdated technology, and therefore producing more emissions than if they had stayed in the United Kingdom. We want these jobs to stay in the United States, not move out of country. Plus, the countries of China and India are emitting more pollutants, such as sulfur and nitrogen, into the atmosphere as well.

It is clear that while the United Kingdom can claim reductions due to this shift, the atmosphere is in fact worse off with this kind of shift. This is obviously not a way the United States should seek to reduce our greenhouse gas emissions.

Finally, the United Kingdom has reduced their emissions through advanced technologies and is producing energy in a more efficient way. That is clearly a preferable way for us to move forward in reducing greenhouse gas emissions. That is why I supported the Hagel amendment. I believe it is a positive step in that direction. I want to commend my colleague from Nebraska for offering a voluntary approach, providing incentives for new greenhouse gas-reducing technologies and technology transfer that would help our friends in developing regions of the world. The United States and India are two of the countries that have a key way to actually get these greenhouse gas emissions down, not a heavy regulatory regime.

There are also things I think we should do that would have a positive effect on our net national carbon emissions, that I do believe are having an impact on the overall global climate change. I think we can do these net national carbon emission reductions that will have a positive environmental benefit and which can have also a positive effect on our economy, not a negative effect, as a regulatory regime. I am referring to projects like carbon sequestration and soil conservation practices. These are not only effectively extraction carbon out of the atmosphere but have the more immediate and tangible benefits of improving water quality and preserving wildlife habitat. We have seen this taking place in my home State.

Carbon sequestration—or the process of transforming carbon dioxide in the atmosphere to carbon stored in trees and soils—is a largely untapped resource that can buy us one of the things we need most in the debate over global warming, and that is time and accomplishment at the same time.

The Department of Energy estimates that over the next 50 to 100 years, agricultural lands alone could have the potential to store from 50 to 100 billion metric tons of carbon from the atmosphere. If we expand this to include forests, the number will be far greater, indicating there is a real difference that could be made by encouraging storing of carbon through carbon sequestration, type of approach.

This alone cannot solve our climate change dilemma, but as we search for technological advancements that will allow us to create energy with less pollution and more efficiency, we must be aware of the cause and potential effects in climate change, it only makes sense that we enhance a natural process we already know has the benefit of reducing existing concentrations of greenhouse gases, particularly when this process also improves water quality, soil fertility, and wildlife habitat.

As I say, this is a “no regrets” policy, similar to taking out insurance on one’s house or car. We should do no less to protect our environment.

Another way in which we can help reduce the amount of carbon emitted into our atmosphere, while helping our environment, is through the increased uses of renewable energy, namely biomass converted into electricity. I believe this could revolutionize the energy sector and greatly help a number of places around our country.

Energy can be created from biomass by using many agricultural waste products such as wheatstocks or even livestock manure. It also harvests grassland that is currently in the Conservation Reserve Program or other conservation reserve programs for biomass production. Not only does this provide a clean source of energy, it also creates a new market for many of our agricultural producers.

Another renewable source of energy comes from wind development. I am a fan of wind development. I believe it to have great potential in producing clean energy that will help the United States with our energy independence. However, I also believe our environmentally sensitive areas and environmental treasures should be protected from wind development. That is why I am also pleased to support my colleagues, Senator Alexander and Senator Warner, on their environmentally responsible Wind Power Act of 2005. In my home State of Kansas, we are blessed to have a portion of the last remaining tall grass prairie in the Nation. The Flint Hills of Kansas have virtually been untouched and unplowed by man. It would be a shame to wreck these treasures for future generations simply as a way of putting wind turbines on them.

I am in favor of wind development. However, we must be wise not to harm our environmentally sensitive areas or unique environmental treasures.

Because of my belief in the future potential of energy production from biomass and wind development, I supported Senator Bingaman’s renewable portfolio standard amendment that passed the Senate last week. Not only would it provide renewable energy that is produced at home, but my home State will as well and will lead the way.

Finally, I believe we, as a Nation, need to invest more in nuclear energy. While I commend both Chairman Domenici and Ranking Member Bingaman for their hard work on this bipartisan Energy bill that includes many strong provisions for expanding our Nation’s nuclear power industry, I heard my distinguished colleague from Tennessee, Senator Alexander, mention that nuclear power represents 20 percent of our total power, yet accounts for 70 percent of our carbon-free power.

Clearly, more needs to be done in diversifying our energy sources, and I believe this Energy bill is a step in the right direction. I do commend my colleagues, Senator McCain and Senator Lieberman, for adding a robust nuclear section in their climate change bill. As the majority and minority respectively, but it is the right step, I believe we could go even so far as to say that this move may have had hazardous political consequences for their bill, but I believe it is the right step for us to move forward.

As I stated at the outset when I entered into this debate, I believe we are seeing global climate change. I do believe that consequences of man’s actions are here. I believe, though, we have a series of options that are much like corn. We need to produce the results we need than a heavy regulatory approach. While I appreciate the McCain-Lieberman approach, I think this other route is a better way to go.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Oklahoma.

Mr. INHOFE. First, I thank the Senator from Tennessee for his excellent remarks. I think the Senator from Tennessee had a response or a couple of minutes, that he wanted to respond to something that was said; is that correct?
Mr. ALEXANDER. That is correct. I thank the Senator from Oklahoma.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield time?

Mr. INHOFE. I yield 2 minutes to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 2 minutes.

Mr. ALEXANDER. Mr. President, I applaud the remarks of the Senator from Oklahoma. However, let us focus on the clean energy aspects of the Domenici-Bingaman bill, which is making significant progress in producing low-carbon and carbon-free energy, transforming the way we produce electricity.

I also appreciate his compulsion of the environmentally responsible wind power amendment. Kansas, of course, has a lot of wind. There may be many places where people want it to be, but there are some places in the United States where we do not need to put gigantic towers between us and our children and our grandchildren; for example, the Statue of Liberty, and the Great Smoky Mountain Park, and Yosemite Park.

This legislation is a very limited amendment that would deny Federal subsidies for that area, give communities 6 months notice before they are to be built there but otherwise would not interfere with private property rights, prohibit the building of any wind project, affect any project now underway, and would not give the Federal Energy Regulatory Commission any new power.

I believe it is the kind of amendment all Senators can easily support. Whether they are strong supporters of wind power or have reservations about wind power, at least we do not want to see gigantic towers in thebuffer zones between our national treasures, the highly scenic areas, and ourselves and our children and grandchildren.

I thank the Senator from Kansas for his support.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, it is my understanding that the Senator from New Mexico, Mr. DOMENICI, is on his way to use his remaining time. While he is doing that, I will comment that the statements that have been made are excellent. We have agreed we will use the remainder of our time. I will use about 10 minutes, whatever time I have, and they will have the last 10 minutes, unless they are not in the Senate right now. We should serve notice we want the concluding remarks as soon as the Senator from New Mexico completes his remarks.

There are a couple of things of interest. One thing, it is interesting when we hear about the science. I will have a chance in a minute to talk about the science and how flawed the science is. Look at the Oregon petition. Over 17,000 scientists signed a petition. I will read one paragraph from that petition:

There is no convincing scientific evidence that human release of carbon dioxide or methane or other greenhouse gasses is causing, or will, in the foreseeable future, cause catastrophic heating of the Earth's atmosphere and disruption of the Earth's climate. Moreover, there is considerable scientific evidence that increases in atmospheric carbon dioxide produce many beneficial effects upon that facts, plant and animal environments of the Earth.

It is important that we realize CO₂ is not a pollutant. CO₂ is, in fact, a fertilizer. CO₂ is needed, earth grows crops better than it does in the absence of CO₂.

The PRESIDING OFFICER (Mr. MARTINEZ). The Senator from New Mexico controls 6 minutes.

Mr. INHOFE. The Senator can have more.

Mr. DOMENICI. Mr. President, I hope I can say what I want to say in 6 minutes. If not, I will ask the Senator for a couple more minutes.

I note Senator BINGAMAN is in the Senate. About a week ago, 6 days ago, there was a comment that Senator BINGAMAN had a proposal that would move in the direction of mandatory cleanup for carbon. I was intrigued by the proposal that suggested a way to do it. They had testified before a committee hearing in the Energy and Natural Resources Committee. We were intrigued when they talked about their idea. Senator BINGAMAN had taken it upon himself to put those preliminaries into the format of a bill.

It was said, and I was quite surprised at how much notoriety ensued, that I might be joining my New Mexico partner in this proposal. And that was true, I was considering. And, in fact, we did consider it.

The Senate should know, at least from this Senator's standpoint, what I found out. I found out it is very easy to say what we ought to have some mandatory reductions. It is very easy to say what percent reduction there should be. As a matter of fact, the proposal we were looking at sounded rather achievable. Certain aspects were compared with the Kyoto accord and when compared with the McCain-Lieberman proposals, quantitatively in many areas—effect on growth, what it will do to the use of coal, how many jobs might it cause, what will it do from the standpoint of real reduction in carbon—compare the NCEP, which was the group that put this study together that Senator BINGAMAN brought to the surface that I just said I was considering, when compared with the Kyoto accord and when compared with the McCain-Lieberman proposals, quantitatively in many areas—effect on growth, what it will do to the use of coal, how many jobs might it cause, what will it do from the standpoint of real reduction in carbon—compare the NCEP, which was the group that put this study together that Senator BINGAMAN brought to the surface that I just said I was considering, when compared with the Kyoto accord and when compared with the McCain-Lieberman proposals.

When we looked at possibilities, it was in my way of thinking impossible in 3, 4, or 5 days to write such a proposal. It was no carbon; would you still have to reduce any, some of which are so good they have to get compensated for being so good—so that when we add it up, you get reduction across the Nation.

There is another way, and that is to say you cut down an even amount across the board. I guarantee if we have an even cut across the board, everybody gets cut 2.4, or maybe under McCain-Lieberman you get cut 5 or 6, nobody can live with that. Then there is no benefit from having very clean utility companies. What if you had all nuclear power plants and there was no carbon; would you still have to reduce whatever the amount is?

The reason, I said to my friend, Senator BINGAMAN, there is not enough time to implement a plan under the NCEP proposal is because we do not know how to draft a set of rules that will carry our process that would be fair and that would achieve the goal. When we looked at possibilities, it was in my way of thinking impossible in 3, 4, or 5 days to write such a proposal. It was no carbon. Would you still have to reduce whatever the amount is?

Senator BINGAMAN might have suggested. He reported sometimes if we cannot finish it out—that we do it differently. We assign somebody the job of doing that detail. That could have been an approach. But it was not what we were talking about. We were trying to write it in. I submit to the Senate I do not see how there can be a mandatory reduction program that does not have a very
Mr. MCCAIN. I yield.

Mr. LIEBERMAN. Senator DOMENICI raised a very important point and I want to engage on it. That is the question of how the allocations are set under the McCain-Lieberman proposal. Let me say, I feel strongly unless you have a cap, unless you have some limit, goal, for how you will reduce your greenhouse gas emissions, it is a phony. It does not work. We tried that in the 1990s and it did not work. That is why we need a cap and we have a market-based system.

In our proposal it says you allocate emissions credits based on the amount of emissions in 2000 because that is the goal we want to get back to, and then you give the EPA Administrator the opportunity to make adjustments based on economic impact—maybe it is too hard for a particular industry or sector to do that.

I hope we can engage the Senator from New Mexico as is a leader here as we go forward. When it came to the acid rain provisions on which this is based, when it finally came to a bill, Members of the Senate and the Congress pretty much stated what the allocations were. There should not be much room for administrative judgment by the EPA Administrator.

To my friend from New Mexico, if this really matters to you, as I know it does, in the months ahead I will try to do exactly the same thing.

I thank my friend from Arizona and I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Could I have the time situation?

The PRESIDING OFFICER. The Senator has 19 minutes.

Mr. MCCAIN. And the other side?

The PRESIDING OFFICER. The Senator from Oklahoma has 20 minutes.

Mr. MCCAIN. Mr. President, I will be very brief because we worked it out which we could not find a way to allocate the winners and losers, you will understand this is a tough job. I don’t think we should do that, whether we call it Kyoto, whether we call it McCain. We should not do anything that risky and that uncertain unless there is somebody magical that has a way of putting this formula together— who wins, who loses, who gets money, who cuts, et cetera.

I ask unanimous consent the chart be printed in the Record at the end of my remarks.

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

Compared to the Kyoto Protocol, the NCEP emissions trading program has a fraction of the impact on the energy sector and economy based on EIA analyses of each policy.

Results in 2020

(MCEP values are averages of 2015 and 2025)

<table>
<thead>
<tr>
<th>NCEP</th>
<th>McCain</th>
<th>Kyoto</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG emissions (% domestic reduction)</td>
<td>5.4</td>
<td>17.8</td>
</tr>
<tr>
<td>GHG emissions (tons CO₂ reduced)</td>
<td>5.3</td>
<td>144</td>
</tr>
<tr>
<td>Allowance price ($/ton CO₂)</td>
<td>7.5</td>
<td>35.0</td>
</tr>
<tr>
<td>Coal use (% change from forecast)</td>
<td>-5.7</td>
<td>-37.4</td>
</tr>
<tr>
<td>Coal use (% change from forecast)</td>
<td>16.3</td>
<td>-23.2</td>
</tr>
<tr>
<td>Natural gas use (% change from forecast)</td>
<td>0.8</td>
<td>4.6</td>
</tr>
<tr>
<td>Electricity price (% change from forecast)</td>
<td>3.5</td>
<td>19.4</td>
</tr>
<tr>
<td>Potential GDP (% loss)</td>
<td>0.02</td>
<td>0.13</td>
</tr>
</tbody>
</table>

Mr. LIEBERMAN. I wonder if the Senator would allow me a moment to respond to something Senator DOMENICI said?
Journal, when you throw in the fact that we had the medieval warming period, it shows it was actually warmer in that period of time. The medieval warming period was about from 1000 A.D. to 1350 A.D. Temperatures were warmer than they have been in the 20th century. It just shows that theory has been refuted by many people in that it really is not accurate and should not be used.

Next, on climate models: Climate models are very difficult. People use them freely around here. Those who are listening and, hopefully, those who might be looking at the logic of this will not buy this idea.

The National Academy of Sciences said:

Climate models are imperfect.

Peter Stone, the climate modeler from MIT, said:

The major [climate prediction] uncertainties have not been reduced at all.

The uncertainties are large.

The George C. Marshall Institute:

The inputs needed to project climate for the next 100 years, as is typically attempted, are unknowable.

Further, a professor from MIT: The way current models handle factors such as clouds and water vapor is disturbingly arbitrary. In many instances the underlying physics is simply not known.

I think we have to understand if all of this is predicated on climate charts, climate charts are not perfect.

The Oregon petition—I covered this many times. People say: Inhofe is going to come up with some scientists who might refute this. For someone to say that the science is settled, for someone to say there is a consensus in terms of the science, when you look at the Oregon petition, which had 17,000 scientists, they stated, as is on the chart behind me:

There is no convincing scientific evidence that human release of carbon dioxide, methane, or other greenhouse gases is causing, or will cause, catastrophic heating of the Earth’s atmosphere and disruption of the Earth’s climate. Moreover, there is substantial scientific evidence that increases in atmospheric carbon dioxide produce many beneficial effects upon the natural planet and animal environments of the Earth.

Recognizing, as we said before, that CO2 is not a pollutant; CO2 is a fertilizer.

I would, lastly, quote James Schlesinger, who was the Energy Secretary under President Carter. He said: There is an idea among the public that the science is settled. That remains far from the truth.

So it is not a matter of Republicans or Democrats. These are the experts saying that the science is not there. Now, we could—go and I will come back to this subject with the time we have left; I would like to start off with the assertion that Kilimanjaro—I happen to have flown over Kilimanjaro twice in the last week. I looked down and saw that there is a change that has taken place.

If you look at this picture from 1976, there was very little ice on there. In 1983 there was a lot more. In 1997, there was considerably less. But the Center for Science and Public Policy summarized the Kaiser study and said: The ice fields on Mount Kilimanjaro started melting in response to a climate shift that occurred near the end of the 19th century, well before any alteration in the Earth’s greenhouse effect. That reduced the amount of meltwater in the air in the vicinity of the mountain.

Manmade global warming has nothing to do with it. I repeat, nothing to do with it. Yet we hear it over and over again. And I am sure we will hear it in the closing remarks.

In terms of glaciers and icecaps and research that has been done—this was in the Journal of Climate—research done by Holloway and Sou in 2002 revealed that claims of thinning Arctic ice came from sonar submarine measurements of only one part of the Arctic Ocean. Additionally, decadal changes and scaled wind patterns rearranged the ice, giving some regions thinner and others thicker amounts of ice.

Well, it is easy to find one area where the ice is thinner than it was, but, on the other hand, it is actually thicker. It goes on to say in the Journal of Glaciology: For the mass balance of glacier measures, the gain and loss of ice becomes an issue. For example, there are only 280 glaciers of the total 160,000 glaciers for which mass balance data exists over a single year. So the data is not there on that argument.

They talk about hurricanes, the fact that hurricanes are coming, and somehow this has something to do with global warming.

Well, if you look at this chart, it talks about the hurricanes dating back to 1900, and each decade since then up to 2000. You can see, yes, it did peak out around 1940. And then it has been going down ever since, and considerably lower than that peak was.

According to Dr. Christopher Landsea, who is considered to be the foremost expert on hurricanes, he says: Hurricanes are going to continue to hit the United States in the Atlantic and gulf coast areas. And the damage will be more expansive than in the past. But this is due to natural climate cycles, which cause both to be stronger and more frequent and the rising property prices of the coast, not because any effect CO2 emissions have on weather patterns.

He says: Contrary to the beliefs of environmentalists, reducing CO2 emissions will not lessen the impact of hurricanes.

So, in fact, it is just not true. You hear it over and over again, but it is not just not true. You hear about the sea rising: The sea is rising. Things are disappearing. In fact, the famous island, Tuvalu Island, was supposedly going to be falling into the ocean and be covered up. According to John Daly—he is
June 22, 2005

CONGRESSIONAL RECORD — SENATE

S7015

considered to be an expert — well, let's use the 2004 Global Planetary Change: There is a total absence of any recent acceleration in sea level rises as often claimed by IPCC and related groups.

It is not rising, folks. It is just not happening. What the IPCC chairman says: The historical record from 1978 to 1999 indicates a sea level rise of 0.07 millimeters per year, where the IPCC claim of 1 to 2.5 millimeters a year sea level rise as a whole indicated the IPCC claims it based on faulty modeling.

The NSW Electricity Corporation, based in Taree, Australia, has dismissed the Tuvacu claims as unfounded. In other words, the sea level is not rising. You can say it is rising and stand down here and yell and scream about it, but it is not. The science shows clearly it is not rising. The Arctic Climate Impact Assessment report has been referred to several times. If you look at the temperatures between 1934 and the currently — this chart goes to 2003 — you see they are considerably warmer back during 1934.

Let's now go to the economic impacts. This is probably one of the things that really should be considered more than anything else at this point because people keep thinking if there isn't going to be any great economic impact, why shouldn't we go ahead and do it. I am using here not S. 139, the bill we discussed in October of 2003, because this one is a little bit less than that. It is a 4-cent price rise. Enacting the McCain-Lieberman bill would cost, according to Charles River Associates, the U.S. economy $507 billion in 2020, $545 billion in 2025. Implementing Kyoto would cost the U.S. economy $507 billion in 2020, $243 billion in 2020. Under Kyoto, for the average family of four in America, it would cost them $2,700 a year. This bill will only cost them $2,000 a year. So maybe that isn't quite as bad as it would have been otherwise.

The bottom line: It is very expensive. That is not just Senator Inouye talking. We are quoting CRA, which is the recognized authority, like the Horten Econometric Survey that talked about how it will affect the rising cost of energy, electricity, gasoline, how much it costs a family of four. It would be very detrimental to our country.

In terms of jobs, enacting the McCain-Lieberman amendment would mean a loss of 880,040 jobs in 2010 and 1,306 million jobs in 2020. This is down a little bit from the full-blown Kyoto, but 1.3 million jobs is significant.

In terms of energy prices, McCain-Lieberman would increase energy prices in 2020 by 28 percent for gasoline, 20 percent for electricity, 47 percent for natural gas, and much more for coal.

Just a few minutes ago, the Senator from Arizona talked about the National Academy of Sciences. What he was referring to is a press statement. It was not a press statement. Their last report states as follows:

There is considerable uncertainty in current understanding of how the climate system varies naturally and reacts to emissions of greenhouse gases and aerosols. A causal linkage between the buildup of greenhouse gases and the observed climate change in the 20th century unequivocally established. The IPCC Summary for Policymakers could give an impression that the science of global warming is settled, even though many uncertainties remain.

So much for the National Academy of Sciences.

I think there are two charts that are very significant. First of all, let's just assume for a minute that everything they are talking about is correct. They say carbon caps, everything they say about signifying on to the Kyoto treaty, that all of that is true. If all that is true, this chart is probably the most significant chart we have. This chart shows that if it is true, if you look at the black line, that is what would happen with Kyoto. Without Kyoto, look at the blue line. It is so little difference that it is not measurable. In other words, by the year 2050, the change would be something like 0.06 degrees centigrade, which is a difference in temperature too small to even be detected in global averaging.

This is back when the Bingaman amendment would have been here, so you can ignore that since apparently that is not coming back.

If nothing is done right now, if you project a temperature rise, it would be 1.7 degrees Fahrenheit, if there is no action taken at all. If you go McCain-Lieberman, it would be 1.61 Fahrenheit. Between those two, it is not even a noticeable difference.

I am hoping we will have an opportunity for people to see the truth and people to see what the real science is, see the real economic impact.

There are a couple things that are incontrovertible. First, we know the economic impact is great. They might argue a little bit that we have taken the economic impact in terms of the Horten Econometric Survey, but we don't have to go to CRA, and they are astronomical. I mentioned what they would be under the McCain-Lieberman bill. But if you say that there is certainly questionable science behind it, and yet there is a huge economic impact, then what would be the motivation?

Why is Europe so excited and so anxious for us to join their dilemma, in spite of the fact that they have increased their CO2 emissions since the time they signed on to the Kyoto treaty? The answer is found in two individuals. One is Margot Wallstrom. Margot Wallstrom is the European Union Environmental Commissioner. I don't think they knew that these statements were made. Kyoto really isn't about climate change. Kyoto is about "the economy, about leveling the playing field for big businesses worldwide." That is Margot Wallstrom, EU Environmental Commissioner.

Some Senators favor Frenchmen. Jacques Chirac said Kyoto represents "the first component of an authentic global governance." Certainly there is a motivation overseas for us to be involved in this thing.

I would like to also mention that there is a lot of poll data. But the most recent polling data was 3 days ago. And an ABC News poll, most people do believe that global warming is underway. They have been convinced of that because we have a very liberal media that wants people to believe that. We have people who want to think the world is flat. That is what is going around, the truth is getting out.

Let me wind up by reminding everyone that we do have pollution problems. They are not with global warming. They are not with CO2, methane and nitrous oxide, but with SOx, NOx, and mercury. President Bush has caused us to introduce the greatest reduction in SOx, NOx, and mercury in the history of this country, more so than any of the preceding Presidents. It is a significant reduction, a reduction that would really do something about pollution. I believe we should be talking about really reducing pollution, not about trying to create science, to somehow fabricate science to make people believe that, No. 1, temperatures are rising; and, No. 2, it is due to manmade gases. The science does not support that.

I thank the Chair.
because higher natural gas costs have pushed the average retail cost of nitrogen fertilizer from $100 per ton to more than $350 per ton.

Consumption of natural gas is exceeding production at an increasing rate. Commercial and industrial consumers have paid over $130 billion more for natural gas than they did 2 years ago, an 86 percent increase.

Despite oil prices of nearly $60 per barrel, continued growth in oil consumption is still-highest prices and further damp economic growth. Gasoline and diesel use continues to rise strongly in the U.S., the largest oil consumer by far, despite high prices and a slowing economy. China is now the world’s No. 2 oil user, and it continues to burn more fossil fuel to power its domestic economy and meet rising demand for its goods. Economists say energy prices are reemerging as a prime constraint on the world’s growth potential, and they have trimmed their projections for economic growth by a quarter point as a result.

China faces a coal shortage by 2010, according to a May 25 AP story. China will consume 2.2 billion tons of coal by 2010, 300 millions of tons per year less than today. By 2020, China will consume 3.1 billion barrels of crude oil and 7 trillion cubic feet of natural gas a year, with half of the oil imported.

What does this mean? Greater demand for energy means higher prices, higher even than those we are facing and trying to reduce today. As I have already stated, high energy prices have a direct and negative impact on economic growth. As world demand for energy grows and prices rise, manufacturers face higher costs. They have a harder time meeting payroll, and people lose their jobs.

Senator Mccain states that his plan to eliminate greenhouse gas emissions is “affordable and doable.” However, McCain-Lieberman will undoubtedly drive up the cost of energy at a time when we are seeking for ways to increase energy supply and reduce energy costs. Direct costs of the program are estimated to be upwards of $27 billion annually. Studies by the Competitive Enterprise Institute show that McCain-Lieberman will lead to a cumulative loss to gross domestic product of $776 billion through 2025. In addition, studies by a group sponsored by the National Black Chamber of Commerce and the Small Business and Entrepreneurship Council, cite studies that show the climate bill would cost the U.S. economy over 600,000 jobs. We can’t afford this kind of hit to our GDP or the loss of jobs that could result from this proposal.

Jobs lost as a result of adopting an onerous climate change proposal will be exported overseas to countries that do not cap their emissions. So not only will the jobs not be exported, but the emissions will be, too. This bill purports to address “global” warming. The bill’s proponents are correct that the problem, to the extent there is one, is not regional or national but global. However, the fix we are debating would hamstring our economy by driving up energy costs while doing nothing to limit emissions in developing countries.

Already, high natural gas prices have cost America’s chemical sector nearly 90,000 jobs and $50 billion in business to overseas operations. Of 120 chemical plants being built around the world with price tags of $1 billion or more, just 1 is in the U.S. while 50 are in China.

Interestingly, the May 5 AP article referenced earlier notes that China’s massive demand for coal is leading managers to ignore safety, causing 5,000 mining deaths per year. If China is not worried about mining safety, we can be pretty certain that they are not going to worry about greenhouse gas emissions.

Advocates for this amendment continue to point to the Kyoto Protocol. What did the Senate say to Kyoto? As you know, in 1997, the Senate voted 95 to 0 for a Byrd-Hagel resolution assailing Kyoto’s provisions, leaving President Clinton unable to even bring the treaty to a vote by their own admission. McCain-Lieberman is Kyoto-lite. It will cost hundreds of billions of dollars, and to what end? It may not even solve the problem it purports to solve. Yes, there will be lower emissions under this amendment; however, those in favor of Kyoto say Kyoto only scratches the surface.

Environmental groups concede that it will have no impact on what they believe to be impending catastrophic global warming.

Greenpeace International agreed that the Kyoto Protocol should only be an entry point for controlling greenhouse gas emissions. Jessica Coven, a spokesperson for the environmental group, told CNSNews.com that “Kyoto is our first start and we need increasing emissions cuts.”

“Kyoto Protocol . . . doesn’t even go near to what has to get done. It is not anywhere near to what we need in the Arctic,” said Sheila Watt-Cloutier, chairwoman of Inuit Circumpolar Conference. “Kyoto will not stop the dangerous sea level rise from creating these kinds of enormous challenges that we are about to face in the future. I know many you here believe that we must go beyond [Kyoto],” she said during a panel discussion.

Despite the fact that green groups at the U.N. climate summit in Buenos Aires called President George Bush “immoral” and “illegitimate” for not supporting the Kyoto Protocol, the groups themselves concede the Protocol will only have “symbolic” effect on climate because they believe it is too weak. Kyoto is an international treaty that seeks to limit greenhouse gas emissions of the developed countries by 2012.

“I think that everybody agrees that Kyoto is really, really hopeless in terms of delivering what the planet needs,” Peter Roderick of Friends of the Earth International told CNSNews.com. “It’s tiny, it’s tiny, tiny, tiny,” Roderick said. “It is woefully inadequate, woefully. We need a real something from climate change.” Roderick believes a global climate emergency can only be averted by a greenhouse gas limiting treaty of massive proportions. “We are talking basically of huge, huge cuts,” said Roderick.

I ask you if Kyoto isn’t enough to solve the purported problem, and McCain-Lieberman would reduce emissions by even less, why are we even thinking of doing it?

What we need is a comprehensive energy policy that recognizes our need for a secure and affordable supply of energy that drives economic growth and creates jobs in America. Our energy policy cannot be formed in a vacuum; it must recognize the global complexities we face and why such competition exists.

The United States is a model for much of the world. Developing nations have seen the value of low cost energy as a means of lifting their citizens out of poverty. We are seeing it today in China and India, and they are not doing it relying on government mandates and bureaucracy. They are improving the standard of living of their people through economic growth that provides good paying jobs for hard working citizens.

Does this mean we have to choose between a strong, growing economy and a clean environment? No, of course not. These two important goals work together. Economic growth is the means of environmental responsibility. Earlier on the Senate floor, Senator Domenici declared that the Energy bill ought to be called the “Clean Energy Act” due to the many incentives and requirements it contains for clean sources of energy—wind, solar, geothermal, nuclear, clean coal technologies, hydrogen, ethanol, and biodiesel—and the many requirements for improved energy efficiency which will reduce energy use and, therefore, emissions.

Numerous of my colleagues have delineated the efficiency measures, energy savings and incentives in the bill before us and how this package will slash emissions through reducing the need to burn fossil fuels and thus reducing emissions. Nuclear power, IGCC, renewables, and the encouragement of transmission investment to increase customer access to cheaper, more efficient sources of electricity, will reduce emissions by using less fuel to make electricity.

In addition, increased production of ethanol and biodiesel fuels and the incentives for hybrid cars will substantially reduce greenhouse gas emissions. Senator Domenici included in the RECORD a detailed statement of all of the provisions in the Energy bill that are aimed at new technologies that will...
have no global warming emissions, and I won’t repeat that list here.

Nevertheless, let me offer a few important statistics on the impact of the current energy bill:

Passage of the bipartisan energy bill will save nearly 2 million jobs over the next decade, according to a study released today by the national association of manufacturers, the manufacturing institute and the american council for capital formation.

The bill will reduce U.S. energy use by about 2.4 percent in 2020 compared to baseline forecasts by the U.S. energy information administration. The bill will also reduce natural gas use in 2020 by about 1.1 trillion cubic feet, equivalent to current annual consumption by New York State. And the bill will reduce peak electric demand in 2020 by about 50,000 MW, equivalent to the capacity of 170 powerplants, 300 MW each.

The energy efficiency standards in the bill will save so much energy in the coming years that by 2010, the electricity savings will total 12 GWh and will reduce peak electric demand by the output of 12 new 300-MW powerplants. The savings will total 66 GWh and reduce peak demand by the output of 75 new 300-MW plants. By 2030, the savings will equal 96 GWh and reduce peak demand by the output of 108 new 300-MW plants.

The ethanol mandate in the Senate Energy bill will displace as much as 2 billion barrels of imported crude oil, lower the U.S. trade deficit by $67 billion, create $51 billion in new farm income and cut Government farm payments by an estimated $5.9 billion—all by 2012.

Using 100 percent biodiesel reduces carbon dioxide emissions by more than 75 percent over petroleum diesel, while using a 20 percent biodiesel blend reduces carbon dioxide emissions by 15 percent.

In 2003, U.S. nuclear powerplants avoided the emission of 679 million metric tons of carbon dioxide, from the fossil fuels that would have been burned to power the plants in the absence of nuclear energy. Annual carbon dioxide emissions from the U.S. electric sector are approximately 2,215 million metric tons. Without nuclear energy, U.S. electric sector carbon emissions would have been approximately 30 percent higher.

As we conserve energy and promote new clean sources of energy production, we burn less fossil fuel, thereby reducing emissions in the most economically sound manner.

Even Senator MCCAIN recognizes the need to promote clean sources of energy, namely nuclear energy and clean coal. He said:

The fact is, nuclear is clean, producing zero carbon dioxide emissions. The burning of fossil fuels to generate electricity produces approximately 33 percent of the greenhouse gases accumulating in the atmosphere, and is a major contributor to air pollution affecting our communities.

His proposal includes money and loan guarantees for new nuclear reactors, new ultra-clean coal power plants, plants to create ethanol from sources other than corn, and large-scale solar power sites. These projects are consistent with many of the incentives that are already included in the Energy bill.

This is important since, if nuclear energy is to continue providing 20 percent of the U.S.’s electrical supply, 50 new 1,000 megawatt power plants will have to be constructed by 2030.

The Hagley AMendment that we accepted on Tuesday provides additional incentives to develop workable technology to control emissions without exporting jobs and stifling our economy. I voted for this because it allows us to find the right technology and to further explore whether we really have a problem to solve. We are not even sure that a warmer earth is a bad thing.

I have spent significant time studying this issue. As chairman of the small business committee in the House of Representatives, I held extensive hearings on the Kyoto Protocol, which the current amendment is modeled after. I wanted to question both sides in depth on the scientific and economic sides of the issue. I reached the conclusion that the science of global warming is much less precise than either side would like to suggest. There is some evidence of ozone depletion but the evidence of resulting global warming is much more dubious. We are just not sure whether and to what extent that the Earth is warming; it is not easy to take the Earth’s temperature at any given time, and of course it is even more difficult to determine whether the Earth is warmer relative to past ages. Nothing that has been presented in the current debate has changed my mind.

Even the National Academy of Sciences and their brethren organizations can no longer say that “likely” that much of the warming in recent decades can be attributed to human activities. “Likely” is not good enough to risk our jobs and our economy, especially since many other notable scientists aren’t even that sure. Remember, it wasn’t all that long ago when the scientists were telling us that an ice age was coming.

My colleagues have already discussed how the Kyoto Protocol is not really helping. The signatory countries participating in Kyoto have been unable to meet their targets and some, in fact, are seeking to find a way out of it due to its devastating economic impact and minimal environmental benefits.

As you all know, the Kyoto Protocol would require industrialized nations to limit their greenhouse gas emissions to varying percentages below 1990 levels. However, all but 40 of the 192 countries in the world are exempted from Kyoto. This creates a two-tiered environmental obligation, forcing the entire burden of reducing greenhouse emissions on industrialized nations and turning the developing world into a pollution “enterprise zone.” This will not succeed in reversing “global warming” or eliminating greenhouse gases; it would simply change their point of production and push millions of jobs overseas.

America has been down this path before. In the 1987 Montreal Protocol on the production of ozone depleting chlorofluorocarbons, CFCs, the U.S. agreed to a framework eliminating the production of CFCs for industrialized nations only. Following the 1987 Protocol, the U.S. virtually eliminated production of CFCs in 10 years, but the developing world nearly doubled its production. The environmental consequences of the Kyoto treaty would be even worse. It is estimated that if the U.S. not only stabilizes emissions but also reduces greenhouse gas emissions by 50 percent and every other industrial country also reduces greenhouse gas emissions by 50 percent, yet developing nations continue on their current path, then worldwide greenhouse gas emissions will increase by 250 percent before 2030. The factories other countries would build would not be subject to any of our environmental laws and would be cheaper to produce.

I want to repeat that I have spent scores of hours studying this issue, and the conclusion is inescapable that, even if global warming is a problem, the Kyoto Protocol would have been a disaster for America, causing millions of people to lose their jobs. I cannot understand, therefore, why so many environmental groups keep pushing measures like it. We should all be able to agree that economic growth, while it poses real challenges for the environment, is necessary for the environment’s health as well. Poor countries don’t have strong environmental policies. So it is in everyone’s interests to focus on real environmental concerns—and there are certainly enough of those. The political community and wasting time and effort on proposals that make no sense from any point of view.

A new bureaucratic program that creates economic incentives to solve a problem that may not exist is not a good addition to our pro-growth, pro-jobs, pro-environment Energy bill.

I urge my colleagues to vote against this amendment.

Mrs. BOXER. Mr. President, our Nation is faced with the threat of global climate change that could fundamentally alter all of our lives and the lives of our children. California has a great deal to lose if we do not take steps to halt and reverse climate change. My State and our great diversity ranging from our cool and wet redwood forests of the north coast, to the hot Mojave and Colorado deserts in the southeast, to the vast and fertile agricultural stretches in the central valley, our climate change is a real threat to those natural ecosystems.

Scientific predictions indicate that human-induced global warming may
produce a 3- to 10-degree rise in temperature over the next 97 years. That may not initially sound dramatic. But it would be enough to change the timing and amount of precipitation in my State. This could, for instance, lead to decreased summer stream flows, which would already stimulate controversy over the allocation of water for urban, agricultural and environmental needs.

Scientists also predict that by the year 2020, global average temperatures every month of the year in every part of the State. The average temperature in June in the Sierra Nevada Mountains could increase by 11 degrees Fahrenheit. The snow pack in the Sierra, which is a vital source of water in the State, is expected to drop by 13 feet and to have melted entirely nearly 2 months earlier than it does now. This could reduce the amount of precious water on which we now rely for agriculture, drinking water and other purposes.

The solution to the climate change problem is to first reduce greenhouse gas emissions. In this regard, the McCain-Lieberman amendment would be a meaningful step in the right direction. It would effectively cap and trade system to reduce emissions.

In 2010, the system would cap greenhouse gas emissions at the level that was released in the year 2000. It would then allow facilities to buy or sell credits that would count for greenhouse gas emissions but within the overall cap. This could efficiently reduce overall levels of emissions while allowing flexibility for certain industries.

The second step in solving the climate change problem is to increase the use of renewable resources, such as wind and solar. Unfortunately, this is where the McCain-Lieberman amendment doesn’t just fall short, but would be a step backwards. The amendment includes nothing to provide clean technologies that would count for greenhouse gas emissions but within the overall cap. But the amendment makes nuclear power eligible for these subsidies.

Here we go again. The nuclear industry is once again knocking on Uncle Sam’s door asking for Federal subsidies to pad their bottom line. We should oppose the nuclear industry’s latest effort to raid the public purse. Nuclear power is not the solution to climate change. The nuclear industry has not solved its waste and safety problems. By subsidizing the creation of new nuclear plants, we are condoning the creation of more waste and turning a blind eye to the hazards associated with nuclear power.

Proponents of these subsidies say that they are not limited to nuclear power, and that many types of zero or low-emission technologies could benefit. However, the amendment creates an unfair playing field for this assistance by stepping the costs of nuclear power’s waste and safety problems. A candid analysis of energy choices must consider the full life-cycle costs associated with each technology. This amendment fails to contain such an analysis. Thus, the amendment unfairly and irresponsibly ignores nuclear power’s biggest problem—the waste. This could easily tip the scales in favor of more subsidies for other truly renewable technologies.

The nuclear industry has already benefited from $145 billion in Federal subsidies over the last 50 years. Truly clean and renewable sources of energy, such as wind and solar, have received just $5 billion.

Moreover, these new subsidies could go to some of the world’s biggest companies. The Top-10 nuclear energy producing corporations in the Nation are among the largest companies in the world. These companies include Duke Energy, Exelon and Dominion Resources, which are among the 200 largest companies in the world.

Do these large companies need Federal subsidies? Ten corporations earned more than $10 billion in profits in 2004 selling energy from a variety of sources.

Subsidies for new nuclear plants are not a sound investment. The Federal Energy Regulatory Commission is a representative of the nuclear industry both acknowledge that nuclear plants are not a viable technology without new subsidies. The EIA has stated that between 2003 and 2023, “new nuclear power plants are not expected to be economical.” Thomas Capps, the Chief Executive Officer of Dominion Resources—which has more than $55 billion in assets—was asked about the economics of constructing new nuclear plants. He said, “I am all for nuclear power—as long as Dominion doesn’t have to take the risk . . .” Instead of the nuclear industry taking the risk, the nuclear industry wants the public to shoulder the burden.

New financial nuclear plants are unnecessary. The Department of Energy has shown that we can drastically reduce our Nation’s climate change pollution without increasing the number of nuclear plants. We can and should solve the problem of climate change without increasing the problems of nuclear waste and safety.

I wish that I could support the McCain-Lieberman amendment, as I did 2 years ago. But by making the nuclear industry eligible for Federal subsidies, I cannot vote for this year’s version.

Mr. JEFFORDS. Mr. President, I have decided to support the McCain-Lieberman amendment to H.R. 6 as an important step forward on combating global warming. However, I do go with significant reservations about the new language in this amendment providing additional Federal subsidies to the nuclear power industry.

I am especially concerned about the potential impact of the loan guarantees provided, backed by the full faith and credit of the United States, and the possibility that any new nuclear facilities constructed could default on those loans. If, for any reason, the stream of revenue from auctioned credits is insufficient to cover the maintenance or clean-up costs of any facilities that default on such loans, then those costs and liabilities might end up in the Federal Treasury and we all know about the hundreds of billions of dollars that taxpayers face because of the problems in the Department of Energy and Defense nuclear weapons complex. That type of exposure would be a step backwards. The amendment makes nuclear power industry both acknowledge that nuclear power is not the solution to climate change problem is to increase the use of renewable resources, such as wind and solar. Unfortunately, this is where the McCain-Lieberman amendment doesn’t just fall short, but would be a step backwards. The amendment includes nothing to provide clean technologies that would count for greenhouse gas emissions but within the overall cap. This could efficiently reduce overall levels of emissions while allowing flexibility for certain industries.

The second step in solving the climate change problem is to increase the use of renewable resources, such as wind and solar. Unfortunately, this is where the McCain-Lieberman amendment doesn’t just fall short, but would be a step backwards. The amendment includes nothing to provide clean technologies that would count for greenhouse gas emissions but within the overall cap. This could efficiently reduce overall levels of emissions while allowing flexibility for certain industries.

The second step in solving the climate change problem is to increase the use of renewable resources, such as wind and solar. Unfortunately, this is where the McCain-Lieberman amendment doesn’t just fall short, but would be a step backwards. The amendment includes nothing to provide clean technologies that would count for greenhouse gas emissions but within the overall cap. This could efficiently reduce overall levels of emissions while allowing flexibility for certain industries.

The second step in solving the climate change problem is to increase the use of renewable resources, such as wind and solar. Unfortunately, this is where the McCain-Lieberman amendment doesn’t just fall short, but would be a step backwards. The amendment includes nothing to provide clean technologies that would count for greenhouse gas emissions but within the overall cap. This could efficiently reduce overall levels of emissions while allowing flexibility for certain industries.

The second step in solving the climate change problem is to increase the use of renewable resources, such as wind and solar. Unfortunately, this is where the McCain-Lieberman amendment doesn’t just fall short, but would be a step backwards. The amendment includes nothing to provide clean technologies that would count for greenhouse gas emissions but within the overall cap. This could efficiently reduce overall levels of emissions while allowing flexibility for certain industries.
June 22, 2005

CONGRESSIONAL RECORD — SENATE  S7019

when this issue comes before the Senate again, I would also like to commend Senator Bingaman for his efforts to work on an additional bipartisan proposal inspired by the National Commission on Energy Policy.

Mr. President, we rise today to make comments regarding the McCain-Lieberman amendment addressing global climate change. I will vote in support of this amendment today, because I believe this country must get serious about putting in place a mandatory program to address the very real problem of greenhouse gas emissions. My vote today is based on the fact I believe the United States must make a strong, economy-wide commitment to addressing the threat of climate change. But at the same time, I would also like to note that I retain serious reservations about a number of specific provisions added to this legislation since the Senate last considered it, during the 108th Congress.

Specifically, I have strong concerns about the nuclear provisions that were added to the McCain-Lieberman amendment. Nuclear technology may be emissions free, but it is not without substantial environmental consequences. The fact we in Washington know all too well, since our State is home to the Hanford Nuclear Reservation—one of the largest nuclear remediation projects in the world, including 53 million gallons of high-level nuclear waste stored in underground tanks located far too close to the Columbia River. Hanford's nuclear legacy is the result of production activities undertaken in the service of our national defense, from World War II through the Cold War. While there are obviously different challenges associated with defense and commercial wastes, Hanford nevertheless highlights for me the very significant distances we have yet to travel when it comes to grappling with the environmental costs of nuclear technology.

So while I wish my colleagues had not added certain provisions to their climate change proposal, I also understand—from the statements they have made on the floor today—that this amendment remains a work in progress. I believe the most important thing is to make sure we do not obscure what this amendment is really about. It is about the need for this country to step up, and to develop a real national strategy to address the issue of climate change.

I have spoken on this floor before about the scientific consensus that has emerged regarding the threat of global warming. I have addressed the issues of potential economic costs associated with climate change, particularly in the Pacific Northwest where nearly every sector of our economy relies somehow on the Columbia River. That river, in turn, is fed by mountain snowpack that have projected may well be diminishing due to global warming. I have also spoken about this Nation's opportunity to take the lead in the global race for energy independence, to develop the next generation of energy technologies and create the jobs that will go along with them.

We are a problem-solving nation. When we are faced with a grave threat, we roll up our sleeves, put our heads together, and fix our problems; we don't push them off on our children and future generations. Climate change is too alarming a trend for us to ignore. For that reason, I will vote to support the McCain-Lieberman amendment.

Mr. LEVIN. Mr. President, I believe climate change is occurring; I believe we are faced with a threat to the planet; and I believe it is long past time for action. Nevertheless, I can't support the McCain-Lieberman amendment since its effect would be the loss of more American manufacturing jobs to countries that may not have, if any, environmental standards. That won't help the environment and it will hurt our economy. Climate change is not something we can tackle by shifting industries and emissions to other countries, or by shifting manufacturing jobs to China or other countries that have no limits on emissions of greenhouse gases. The bill before us reflects a unilateral approach to a problem that can only be solved globally.

Climate change cannot be addressed unilaterally. It must be addressed multilaterally. It doesn't help the global environment to push down greenhouse gas emissions in one country only to have them pop up in others. We need an international agreement that binds all countries. Otherwise, there is an incentive to move more and more jobs to countries with lower environmental standards. To add more incentive to move more jobs to countries with lower environmental standards is not something we can tackle by shifting industries and emissions to other countries, or by shifting manufacturing jobs to China or other countries that have no limits on emissions of greenhouse gases.

We need to return to the negotiating table and become a party to an effective international agreement that binds all countries. In my view, the Kyoto Treaty is insufficient because it does not impose requirements on the developing economies of India and China as it does on the United States and others. Those requirements need not be the same size or implemented in the same time frame, but they need to be a part of a global treaty's obligations. China and India are growing so fast that leaving them out of binding commitments and financial contributions would be a travesty for the environment and an economic competitive windfall for those countries. And it would be further insult and injury to our workers, many of whose jobs have already gone overseas.

Another problem with Kyoto is that the specified caps are based on 1990 levels, and because of the subsequent economic downturn in Russia and other former Soviet countries, they can easily meet their targeted emissions reductions. Kyoto does not take into account for companies to move overseas to countries with no limits on greenhouse gases, as this bill would promote, is not sound policy. Global climate change is just that: global and it needs to be dealt with globally, not unilaterally.

Instead, we need an international agreement in which all countries take steps to reduce global warming so that there is no incentive to move jobs and emissions from a country with high environmental standards to one with low environmental standards. The basis of this amendment is to enable competing countries to adopt tough environmental standards and for all participants to refuse to purchase products from countries that won't adopt those standards.

I am confident that it is possible to craft an international treaty that controls global emissions in a way that is fair to developing and developing countries. One example of that was the Montreal Protocol that bans the use and manufacture of ozone depleting compounds. This treaty also had the side benefits of eliminating a whole class of greenhouse gases and created new market opportunities for U.S. technology developers.

Engaging with other countries and coming to the table as a partner in an effective international treaty is essential to a global solution. To achieve a global agreement will require our putting maximum pressure on all countries to join it, so that emissions of greenhouse gases can be reduced, not just shifted. Shifting manufacturing jobs and the production of greenhouse gases from here to other countries is not a solution to climate change—it would just be another economic blow to jobs in America.

Some firms that have deployed energy saving technologies and processes well in advance of the reference date may be discriminated against by this cap and trade proposal. For example, while this bill does have a provision for early banking of allowances, firms that implemented energy savings in the past 15 years may not have records of greenhouse gas emissions to allow credit for the action. Firms that in the past invested in energy saving measures prior to 1990 could also be unfairly disadvantaged because they would not be able to claim the savings in greenhouse gas emissions and further measures are likely to be more difficult than for firms that had delayed action. Legislation and treaties limiting greenhouse gas emissions should reward, rather than punish, this foresight.

We have already lost enough American jobs to countries with cheap labor, no safety standards, and no environmental standards. To add more incentives for companies to move overseas to countries with no limits on greenhouse gases, as this bill would promote, is not sound policy. Global climate change is just that: global and it needs to be dealt with globally, not unilaterally.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, how many times have you heard me rise?

The PRESIDING OFFICER. The Senator has 17 minutes.

Mr. MCCAIN. And the other side?
The PRESIDING OFFICER. The time of the other side has expired.

Mr. MCCAIN. Mr. President, I thank Senator INHOFE for working together as we try to give both sides equal time. I yield myself 9 minutes. Senator LIEBERMAN will take the remaining time.

Mr. President, the amendment incorporates the provisions of S. 342, the Climate Stewardship Act of 2005, in its entirety, along with a new comprehensive title regarding the deployment of climate change reduction technologies. This new title, when combined with the "cap and trade" provisions of the previously introduced Climate Stewardship Act, will promote the commercialization of technologies that can significantly reduce greenhouse gas emissions, mitigate the impacts of climate change, and increase the Nation's energy independence. And, it will help to keep America at the cutting edge of innovation where the jobs and trade opportunities of the new economy are to be found.

In fact, the "cap and trade" provisions and the new technology title are complementary parts of a comprehensive strategy that will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.

Our comprehensive amendment sets forth a sound course toward a productive, secure, and clean energy future. Its provisions are based on the important efforts undertaken by academia, government, and business over the past decade to determine the best ways and means towards this energy future. Most of these studies have shared two common findings. First, significant reductions in greenhouse gases—well beyond the modest goals of our amendment—will allow us to usher in a new energy era, an era of responsible and innovative energy production and use that will yield enormous environmental, economic, and diplomatic benefits. The cap and trade portfolio provides the economic driver for existing and new technologies capable of supplying reliable and clean energy and making the best use of America's available energy resources. Our comprehensive proposal offers multiple benefits for our environment and our economy. We simply need the political will to match the public's concern about climate change, the economic interests of business and consumers, and American technological ingenuity and expertise.
British Prime Minister Tony Blair has made climate change one of his top two issues during his Presidency of the G8. Mr. Blair’s commitment to addressing climate change should be commended. He has chosen to take action and not to hide behind the uncertainties that the scientific community will always resolve. The Prime Minister made it clear in a January speech at World Economic Forum in Davos as to his intentions when he said, “...if America wants the rest of the world to be a part of the agenda it has set, it must be a part of their agenda too.”

The top two issues that Prime Minister Blair has chosen to deal with are climate change and poverty in Africa. It is interesting to note that another article in the New York Times highlighted recently the connection between the two issues. The article describes how a 50 year long drying trend is likely to continue and appears to be tightly linked to substantial warming of the ocean. According to James Hurrell, a scientist at the National Center for Atmospheric Research, “...the Indian Ocean shows very clear and dramatic warming into the future, which means more and more drought for southern Africa, consistent with what we would expect from an increase in greenhouse gases.”

It appears that Mr. Blair’s two priorities are quickly becoming one enormous challenge.

Mr. Boniuk enjoys strong support for efforts from industry. Recently, business leaders from 13 UK and international companies sent a letter to the Prime Minister stating there is a need for urgent action to be taken now to avoid the worst impacts of climate change, and to offer to work in partnership with the government toward strengthening domestic and international progress on reducing greenhouse gas emissions.

Furthermore, the heads of 23 global companies released a statement on June 9th, expressing strong support for action to mitigate climate change and the importance of market-based solutions. The statement was prepared by the G8 Climate Change Roundtable, which is comprised of companies headquartered in 10 nations throughout the world, including companies from a broad cross-section of industry sectors.

The statement was in response to an invitation from the Prime Minister to provide business perspectives on climate change in advance of the G8 Summit that will take place in Gleneagles, Scotland, in early July.

“The Roundtable’s statement says “We recognize that we have a responsibility to act on climate change.” It further acknowledges there “is a need for further, significant efforts to reduce greenhouse gas emissions” “because of the cumulative nature and long residence time of greenhouse gases.” The Roundtable action must be taken now.” It also calls upon governments to establish “clear, transparent, and consistent price signals” through the creation of a long-term policy framework that includes major emitters of greenhouse gases. The statement highlights the need for technology incentive programs to accelerate commercialization of low carbon technologies. Finally, the statement highlights the importance of cooperation between the G8 countries and China, India, Brazil, South Africa, and Mexico to facilitate private investment in low carbon infrastructure.

In addition to the international industries support, Mr. Blair has chosen to voice his concerns in national media. The statement was prepared by a group of companies released a statement on September 2004, the National Geographic devotes 74 pages laying out in great detail the necessity of tackling global warming. In an introductory piece, Editor-in-Chief Bill Allen described just how important he thinks this particular series of articles is:

“Why would I publish articles that make people angry enough to stop subscribing? That’s easy. These stories cover subjects that are too important to ignore. From Antarctica to Alaska to Bangladesh, a global warming scenario is altering habitats, with devastating ecological and economic effects. . . . This isn’t science fiction or a Hollywood movie. We’re not going to show you waves swamp the land. We are going to take you all over the world to show you the hard truth as scientists see it. I can live with some canceled memberships. I’d have a harder time looking at myself in the mirror if I didn’t bring you the biggest story in geography today.”

The articles highlight many interesting facts. Dr. Lonnie Thompson of Ohio State University collects ice cores from glaciers around the world, including the famed snows of Kilimanjaro, which could vanish in 15 years. According to Dr. Thompson, “What glaciers are telling us, is that it’s now warmer than it has been in the past 2,000 years over vast areas of the planet.” Many of the ice cores he has in his freezer may soon contain the only remains of the glaciers from which they came from.

Highlighted quotes from the articles include:

“Things that normally happen in geologic time are happening during the span of a human lifetime; the future breakdown of the thermohaline circulation remains a disturbing possibility; more than a hundred million people worldwide live within three feet of mean sea level; at some point, as temperatures continue to rise, species will have no room to run; the natural cycles of inter-subject creatures may fall out of sync and we’ll have a better idea of the actual changes in 30 years. But it’s going to be a very different world.”

Global warming demands urgent action on all fronts, and we have an obligation to promote the technologies that can help us meet the challenge. Our aim has never been simply to introduce climate stewardship legislation. Rather our purpose is to have legislation enacted to begin to address the urgent global warming crisis that is upon us. This effort cannot be about political expediency. It must be about practical realities and addressing the problems facing not only our Nation, but the world. We believe that our legislation offers practical and effective solutions and we urge each member’s careful consideration and support.

I want to describe some of the amendment’s major provisions designed to enhance innovation and commercialization in key areas. These include zero and low greenhouse gas emitting power generation, such as nuclear, coal gasification, solar and other renewables, geological carbon sequestration, and biofuels:

The amendment directs the Secretary of Commerce, through the Technology Administration, which would be renamed the Innovation Administration, to develop and implement new policies that foster technological innovation to address global warming. These new directives include: Developing and implementing market-based policies to promote technological innovation; identifying and removing barriers to the research, development, and commercialization of key technologies; prioritizing and maximizing key federal R&D programs to foster technological innovation; and Administering public/private partnerships to meet vital innovation goals; and promoting national infrastructure and educational initiatives that support innovation objectives.

It also authorizes the Secretary of Energy to establish public/private partnerships to promote the commercialization of climate change technologies by working with industry to advance the design and demonstration of zero and low emission technologies in the transportation and electric generation sectors. Specifically, the Secretary would be authorized to partner with industry to share the costs (50/50) of “first-of-a-kind” designs for advanced coal, nuclear energy, solar and biofuels. Moreover, each time a utility builds a plant based on the “first-of-a-kind engineering” design authorized by this amendment, a “royalty” type payment will be paid by the utility to reimburse the original amount provided by the government.

After the detail design phase is complete, the Secretary would be able to provide loans or loan guarantees (up to 80 percent) for the construction of these new designs, including: Three nuclear plant designs certified by the NRC that would produce zero greenhouse gas emissions; three advanced coal gasification plants with carbon capture and storage that make use of our abundant coal resources while storing carbon underground; three large scale solar energy plants to begin to tap the enormous potential of this completely clean energy source;
and three large scale facilities to produce the clean, efficient, and plentiful biofuel of the future—cellulosic ethanol.

The loan program will be administered by a Climate Technology Financing Development Corporation, which would include the Secretary of Energy, a representative from the Climate Change Credit Corporation, as would be created in the amendment, and others with pertinent expertise. Once each plant is operational, the private partners will be obligated to pay back these loans from the government, as is the case with any construction loan.

I think it is important to be very clear about this ambitious, but necessary, technology title. We intend that much, if not all, of the costs of the demonstration initiatives, along with the loan program, will be financed by the early sale of emission allowances through the Climate Change Credit Corporation under the cap and trade program. While we would prefer to allow for the Corporation to expend these funds directly, our budgetary process doesn’t readily lend itself to allowing spending in this novel manner. There is popular proposition these days. Therefore, the amendment authorizes the revenues generated under the program to then be appropriated for these key technology programs. However, the industry and the market will actually be footing much of the bill, not the taxpayers. And, as I already mentioned, the amendment requires that any federal money used to build plants will be repaid by the utility when the plant becomes operational.

Finally, the amendment contains a mechanism requiring utilities to pay reimbursement “royalties” as they build plants based on zero and low emission designs created with federal assistance. Again, this approach is more fair and certain than requiring taxpayers to cover the entire costs of these programs. But there will be some costs. That is why it is important to weight the benefits against the staggering cost of inaction on global warming. I think we’ll find more than a justified cost-benefit outcome.

In addition to promoting new or underutilized technologies, the amendment also includes a provision to aid in the deployment of available and efficient energy technologies. This would be accomplished through a “reverse auction” provision, which would establish a cost-effective and proven mechanism for federal procurement and incentives. Providers’ “bids” would be evaluated by the Secretary on their ability to reduce, eliminate, or sequester greenhouse gas emissions.

The “bids” program also would be funded initially by the early sale of emission allowances. Eventually, the program would be funded by the proceeds from the annual auction of tradeable allowances conducted by the Climate Change Credit Corporation under the cap and trade program.

I want to clarify that this amendment does not propose to dictate to industry what is economically prudent for their particular operations. Rather, it provides a basis for the selection and implementation of their own market-based solutions, using a flexible emissions trading system model that has successfully reduced acid rain pollution at a fraction of anticipated costs (less than 10 percent of the costs that some had predicted when the legislation was enacted). That successful model can and must be used to address this urgent and growing global crisis upon us.

The “cap and trade” approach to emission management is a method endorsed by Congress and free-market proponents for over 15 years after it was first applied to sulfur dioxide pollution. Applying the same model to carbon dioxide and other greenhouse gases is a matter of good policy and simple, common sense. It is an approach endorsed by industry leaders such as Jeffrey Immelt, CEO of General Electric, one of the largest companies in the U.S. Moreover using the proven market principles that underlie cap and trade will harness American ingenuity and innovation and do more to spur the innovation and commercialization of advanced environmental technologies than any system of previous energy bills style subsidies that Congress can devise.

Three decades of assorted energy bills prove that while subsidies to promote alternative energy technologies may sometimes help, alone they are not transformational. In the 1970’s, Americans were waiting in line for limited supplies of high priced gasoline. We created a Department of Energy to help us find a better way. Yet today, 30 years later, we remain wedded to fossil fuels, economically beholden to the Middle East and we continue to alter the makeup of the upper atmosphere with the volume of greenhouse gas emissions. Our dividend is continued energy dependence and global warming that places our nation and the globe at enormous environmental and economic risk. Not a very good deal.

Cap and trade is the transformational mechanism for reducing carbon dioxide emissions, providing the global environment, diversifying the nation’s energy mix, advancing our economy, and spurring the development and deployment of new and improved technologies that can do the job. It is indispensable to the task before us.

The Climate Stewardship and Innovation Act does not prescribe the exact formula by which allowances will be allocated under a cap and trade system. This should be determined administratively through a process developed with great care to achieve the principles and purpose of the Act. This indicates the clear fact that low emitting utilities have ample incentives to clean up and can make emission reductions economically and that low emitting

utilities are treated justly and recognized for their efficiency. Getting this balance right will not be easy, but it can and must be done.

The fact remains that, if enacted, the bill’s emission cap will not go into effect for another five years. In the interim there is much that the country can and should do to promote the most environmentally and economically promising technologies. This includes removing unnecessary barriers to commercialization of new so that new plants, products, and processes can move more efficiently from design and development, to demonstration and, ultimately, to the market place. Again, without cap and trade, these efforts will pale, but the new technology title we propose will work hand in hand with the emission cap and trade system to meet our objectives.

As I already mentioned, the new title contains a host of measures to promote the commercialization of zero and low-emission electric generation technologies, including nuclear, clean coal, solar and other renewable energies, and biofuels.

NATIONAL COMMISSION ON ENERGY POLICY APPROACH WILL NOT ADDRESS THE PROBLEM

We have come a long, long way in recognizing the reality of this problem. Some former skeptics not only have acknowledged that global warming is not something to do something about it. The challenge now is to make sure that the medicine fits the ailment, rather than to engage in half-measures that might check a political box but do nothing to actually solve the problem. As Washington proves time and again, half-measures are worse than doing nothing because they give Congress a false sense of accomplishment and merely delay the necessary, and often more difficult, actions.

It is my understanding that some members have been preparing an alternative proposal to address climate change—one which would incorporate the recommendations of the National Commission on Energy Policy. The Commission has recommended an approach that seems to be intended to initially slow the projected growth in domestic greenhouse gas emissions, but not to reduce such emissions, as our proposal would provide. And there is some concern that the provision to which emissions would be allowed to increase in the near term under the Commission’s approach. It also includes what is being termed a “safety valve” mechanism, which is more of an escape valve, which would allow for additional allowances to be purchased to emit additional emissions. “Pay and pollute” is hardly the way to reducing the factors contributing to climate change.

The problem with the Commission’s recommendations is that there is no guarantee that any reductions in the emissions of greenhouse gases would result. It has been demonstrated that
we could meet the Commission’s emission intensity targets while still increasing our actual emissions. The emissions intensity approach is the same as that proposed by the Administration. And, as we well know, that approach is not working nor does it allow for use of the technologies in the international community in jointly addressing this worldwide problem.

Further, the Commission’s safety valve proposal precludes any interface with the international trading market which would restrict the number of market opportunities for achieving low cost reductions. The U.S. simply would be trading with itself, which makes the cost of compliance even higher.

If we look at the science of the Earth’s climate system, it does not react to emission intensity, but rather, to the level of greenhouse gases in the atmosphere. So, if we are truly committed to addressing climate change, we need to act in a manner that actually addresses the problem, not those that may make for good sound bites but are otherwise ineffective.

As we evaluate different climate proposals, the fundamental question that should arise is “What is the environmental benefit?”

Under the Commission’s plan, the answer could be “none” since, as I mentioned, the safety valve essentially allows industry to buy its way out of the problem, which, of course, results in no environmental benefit. As we well know, such costs would simply be passed on to consumers, but how would be consumers benefit? Would they get cleaner air? A better environment? Furthermore by having such an “escape valve”, the powers of innovation and technology development to substantially reduce costs is strangled. Why invest in new technologies when you have the guaranteed option to just “play the game”?

Of course, I welcome the growing level of interest and discussion by the Senate on what many have called “the greatest environmental threat of our time. However, the proposal as recommended by the Commission doesn’t go far enough to address that great threat. And it has the potential to generate huge costs to the taxpayers with no environmental benefit.

I want to take some time to address the Commission’s nuclear provisions. Although these provisions are only part of the comprehensive technology package, I’m sure they will be the focus of much attention.

I know that some of our friends in the environmental community maintain strong objections to nuclear energy, even though it supplies nearly 20 percent of the electricity generated in the U.S. and much higher proportions in places such as France, Belgium, Sweden and European countries that aren’t exactly known for their environmental disregard. But the fact is, nuclear is producing emissions, while the burning of fossil fuels to generate electricity produces approximately 33 percent of the greenhouse gases accumulating in the atmosphere, and is a major contributor to air pollution affecting our communities.

The idea that nuclear power should play no role in our energy mix is an illusion, particularly given the urgency and magnitude of the threat posed by global warming which most regard as the greatest environmental threat to the planet.

The International Energy Agency estimates that energy consumption is expected to rise over 65 percent within the next fifteen years. If the demand for electricity is met using traditional coal-fired power plants, not only will we fail to reduce carbon emissions as necessary, the level of carbon in the atmosphere will skyrocket, intensifying the greenhouse effect and the global warming it produces.

As nuclear plants are decommissioned, the percentage of U.S. electricity produced by emission-free technology will actually decline. Therefore, at a minimum, we must make efforts to maintain nuclear energy’s level of contribution, so that this capacity is not replaced with higher-emitting alternatives. I, for one, believe it can play an even greater role, not because I have some inordinate love affair with splitting the atom, but for the very simple reason that we must support sustainable, zero-emission alternatives such as nuclear if we are seriously addressing the problem of global warming.

In a recent editorial by Nicholas Kristof of the New York Times, Mr. Kristof made the following observation: “It’s increasingly clear that the biggest environmental threat we face is actually global warming and that leads to a corollary: nuclear energy is green.” He goes on to quote James Lovelock, a British scientist who created the Gaia principle that holds the earth is a self-regulating organism. He quoted Mr. Lovelock as follows:

I am a Green, and I entreat my friends in the movement to drop their wrongheaded objection to nuclear energy. Every year that we continue burning carbon makes it worse for our descendents Only one immediately available source does not cause global warming, and that is nuclear energy.

I have always been and will remain a committed supporter of solar and renewable energy. Renewables hold great promise, and, indeed, the technology title contains equally strong incentives in their favor. But today solar and renewables account for only about 3 percent of our energy mix. We have a long way to go to achieve the objectives of this legislation—to help promote these energy technologies.

I want to stress nothing in this title alters, in any way, the responsibilities and authorities of the Nuclear Regulatory Commission. Safety and security, nuclear waste disposal, and the like are paramount in the citing, design, construction and operation of nuclear power plants. And the winnowing effect of the
the underpinning of its safety record is the approach used in its reactor designs, which is to learn and build upon previous designs. Unfortunately for the commercial nuclear industry, they have not had the opportunity to use such an approach since the industry has not been able to build a reactor in over the past 25 years. This lapse in construction has led us to where we are today with the industry’s aging infrastructure. As we have learned from other industries, this in itself represents a significant opportunity for a new approach.

I want to close my comments on the nuclear provisions with two thoughts. A recent article in Technology Review seems particularly pertinent to those with reservations about nuclear power. It stated, “The best way for doubters to control a new technology is to embrace it, lest it remain in the hands of the enthusiasts.” This is particularly sage advice because, frankly, the facts make it inescapably clear—those who are serious about finding a solution to the problem of global warming are serious about finding a solution. And the rule of nuclear energy which has no emissions has to be given further consideration because, frankly, the facts speak for themselves.

Don’t simply take my word regarding the magnitude of the global warming problem. In 2001, President Bush wanted an assessment of climate change science. He further stated that climate change policy should be based upon sound science. He tasked the National Academy of Sciences for an analysis of some key issues concerning climate change. Shortly thereafter, the National Academy of Sciences reported that, “Greenhouse gases are accumulating in the Earth’s atmosphere as a result of human activities, causing surface air temperatures and subsurface ocean temperatures to rise. Temperatures are, in fact, rising. The changes observed over the last several decades are likely mostly due to human activities[1].”

As I mentioned earlier, the National Academy along with the national academies of 10 other countries are now calling for not only action, but prompt action for significant reductions in greenhouse gas emissions.

Let’s also consider the warning on NASA’s website which states: “With the possible exception of another world war, a giant asteroid, or an incurable plague, global warming may be the single largest threat to our planet.”

Also consider the words of the EPA that: “Rising global temperatures are expected to raise sea level, and change precipitation and other local climate conditions. Changing regional climate could alter forest, crop yields and water supplies[2].”

And let’s consider the views of President Bush’s Science Advisor, Dr. John Marburger, who says that, “Global warming is an important problem of great consequence, and something about it, and what we have to do about it is to reduce carbon dioxide.” Again, the chief science advisor to the President of the United States says that global warming exists, and what we have to do about it is to reduce carbon dioxide!

The road ahead on climate change is a difficult and challenging one. However, with the appropriate investments in two or three decades, we can and will prevail. Innovation and technology have helped us face many of our national challenges in the past, and can be equally important in this latest global challenge.

Advocates of the status quo seem to suggest that we do nothing, or next to nothing, about global warming because we don’t know how bad the problem might become, and many of the worst effects of climate change are expected to occur in the future. This attitude reflects a selfish, live-for-today attitude unworthy of a great nation, and thankfully, not one practiced by preceding generations of Americans who devoted themselves to securing a bright and prosperous tomorrow for future generations.

When looking back at Earth from space, the astronauts of Apollo 11 could see features such as the Great Wall of China and forest fires dotting the globe. That’s not to say that solitary, fragile earth looked from space. Our small, solitary and fragile planet is the only one we have and the United States of America is privileged to lead in all areas bearing on the advance of mankind. And lead we must. And I believe it is our sacred responsibility as Americans.

I thank Senator INHOFE. He and I obviously have fundamental disagreements, and this probably won’t be the last time we discuss our fundamental disagreement.

I ask unanimous consent to print a letter from the chairman of the Environment Committee in the European Parliament.

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

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

HON. PETE V. DOMENICI, Chairman, Senate Energy & Natural Resources Committee, Dirksen Senate Office Building, U.S. Senate, Washington, DC.

HON. JEFF BINGAMAN, Ranking Member, Senate Energy & Natural Resources Committee, Dirksen Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI AND SENATOR BINGAMAN:

I have reviewed a document, apparently prepared by the American Petroleum Institute (API), claiming that the United States has reduced its greenhouse gas emissions intensity more than most other European Union countries and more than the EU as a whole. Similar claims were apparently repeated on the floor of the U.S. Senate yesterday, including remarks made by Senator Michael B. Enzi of Wyoming. While we do not claim that the EU will be able to meet its Kyoto target—and a lot of efforts still have to be done within member states to further curb emissions—this claim misrepresents the performance of the European Union and its member states compared to the United States. Data from the U.S. Energy Information Administration indicates the following.

From 1980 to 2002, the carbon dioxide “intensity” (i.e., absolute tons of carbon dioxide [CO2]) emitted per thousand dollars of gross domestic product (GDP) of the EU-15 has fallen by 34 percent, from 0.52 to 0.34. From 1990 to 2002, U.S. CO2 emissions have fallen from 0.99 to 0.62, i.e., by 38 percent.

Thus, U.S. carbon dioxide “intensity” has indeed fallen slightly faster than Europe’s. However, America’s carbon dioxide intensity of 0.62 tons of carbon dioxide emissions per thousand dollars of GDP is still nearly double that of the European Union (0.34), which has in the last 10 years only achieved about half as efficient from the point of view of carbon content as that of Europe. To reduce carbon intensity in the U.S. today is easier—and costs much less—than what is the case in the EU.

Furthermore, what matters to the atmosphere and to the world in terms of climate change is not “intensity, but total emissions of greenhouse gases. Over the period 1980 to 2002, U.S. total emissions of carbon dioxide increased 29.9 percent from 1980, while total carbon dioxide emissions in Europe rose by only 8.6 percent. If we look at the most recent period, namely developments from 1997 to 2002, U.S. total emissions of CO2 from fossil fuel combustion increased from 5543.28 million metric tons (MMT) to 5749.41 MMT—this is by 206.13 MMT, or more than three times the total of the 1.17 percent.

Total carbon dioxide emissions from fossil fuel combustion in Europe rose by only 145.06 million metric tons of carbon dioxide during that same period (from 3377.7 MMT in 1997 to 3452.22 MMT in 2002). And, U.S. total emissions of carbon dioxide are nearly two-thirds (66.5 percent) than Europe’s, despite the fact that the U.S. emits 1.1 times more people than the United States.

Six months ago, the European Union launched the world’s first-ever regional cap and trade market for cutting greenhouse gas emissions. While in its infancy, that market, together with other programs that the EU has instituted, is beginning to provide powerful incentives for EU companies to boost their economic growth while cutting their greenhouse gas emissions. Parallel to that a series of policy instruments have been introduced to encourage the energy in a more efficient way. As already stated, we do experience problems in several member states when it comes to meeting the Kyoto target. Emissions in the transport sector cause particular concern and we are currently discussing ways and means both to encourage greater use of bio-fuels and to enhance fuel-efficiency for new cars. But in general terms I believe our climate action program has to be considered a model for how to go about emissions reductions in both a responsible and cost-effective way.

From the European Parliament point of view we very much welcome contacts and dialogue with the U.S. Congress on issues related to climate change. We strongly believe there is a need to improve cooperation between Europe and the U.S. on this issue. We welcome the opportunity to work with members of the U.S. Congress. I should mention that some of us will participate in a one-day conference in London on July 3rd—an invitation by the House of Commons. Emissaries from all over the world will come together and discuss climate change. Regrettful as it is, as of today we have no U.S. governmental officials participate. Another opportunity for dialogue might be a conference in Washington, DC in September—21—the Trans-Atlantic Dialogue on Climate Change—a forum organized by the Department of State in close cooperation with the European Commission.

June 22, 2005
I understand that you are currently holding hearings on energy and climate-related subjects. I respectfully request that this letter be made a part of the Record of your deliberations as to avoid any misconceptions about climate policy in Europe. Looking very much forward to future contacts with you on these important issues.

Chairman M. DOMENICI and Senator BINGAMAN

Mr. MCCAIN. This is a letter to Senator DOMENICI and Senator BINGAMAN from the chairman of the Environment Committee of the European Parliament. Basically, it says—astonishingly, I am shocked—I have reviewed a study prepared by the American Petroleum Institute, that unbiassed by-stander on this issue, claiming that the United States has reduced its greenhouse gas emissions intensity more than most other European Union countries and more than the EU as a whole. Similar claims were apparently reiterated on the floor of the U.S. Senate yesterday, including remarks made by Senator Michael B. Enzi . . . While we can not be absolutely sure that the EU will be able to meet its Kyoto target . . . this claim truly misrepresents the performance of the European Union and its member states compared to the United States, which it does.

It should surprise one that the American Petroleum Institute would put out less than an objective study.

Yesterday, Senator VINOICH and others referred to analysis by Charles River Associates, which is for our climate change amendment, stating it would result in the loss of 24,000 to 47,000, blah, blah, blah. I think it is important to know that the Charles River Associates study was funded by an outfit called United for Jobs, Americans for Tax Reform, and various other industry-related entities, including petroleum-related organizations. It is based on totally false assumptions, including assuming a 70-year time line. I ask unanimous consent that a rebuttal to the Charles River Associates climate stewardship assumption article be printed in the Record.

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

CHARLES RIVER ASSOCIATES AND CLIMATE STEWARDSHIP: ASSUMPTIONS DO MATTER

In recent months, a group of industry-funded nonprofits, United for Jobs 2004, has commissioned an economic analysis of the Climate Stewardship Act that was performed by Boston consulting group Charles River Associates (CRA).

The economic model is, in essence, a machine; it receives an input, processes it, and produces a conclusion based on the input. In any economic model, the modeling assumptions are the key input—by changing the model what sort of economic conditions to model, they set the terms of economic analysis and determine to a very large extent the conclusions produced by the model. The chart below examines the assumptions that underpin the economic analysis commissioned by the United for Jobs campaign.

Mr. MCCAIN. The analysis is clearly flawed, and we all know that it is flawed. Of course, this is what we always hear whenever there is a proposal that would improve our environment and our lives and others. It is the apocalypse now.

I would like for my colleagues to take note from this well-known sensationalist rag on the supermarket shelves, the National Geographic, which published probably one of the more comprehensive and in-depth pieces ever done called “Global Warming: Bullets From a Warmer World.” The National Geographic, as they usually do, does an incredibly in-depth job to describe what is already happening and what will be happening in the future.

It reads, in part:

Climate change is an unchanging pace. Glaciers are retreating. Ice shelves are fracturing. Sea level is rising. Permafrost is melting. What role will humans play?

I hope my colleagues, when they have a chance, will read this.

I would like Members to look at this picture, this photo. It was taken in 1934. It was down to its lowest level since it was built. We did get some rain this winter, and there has been some change. A heat-damaged reef in the Indian Ocean offers poor habitat for passing fish. In fact, as I understand it, the Great Barrier Reef is predicted to be dying. This once was a lake, Lake Chad in Africa. The picture goes on and on. But perhaps one of the most important, of course, is the Arctic icecap.

We know that the Arctic and the Antarctic are the melting ice caps first, and this is the chart that shows in 2003 the rather dramatic reductions. Also things are happening in Greenland which are significant and alarming.

These are the CO2 records from 2004. The debate about the hockey stick is becoming one that is irrelevant because, unfortunately, we are seeing this dramatic increase.

I would like to return for a minute to the joint science academies’ statement, “Global Response to Climate Change”:

There will always be uncertainty in understanding a system as complex as the world’s climate. However, there is now strong evidence that significant global warming is occurring.

Mr. President, the Senator from Idaho mentioned that scientists from India and the Chinese also signed onto this, as if they were complicit. The fact is, they are. The Chinese are coming from China and India; they are as alarmed about this as anyone else should be.
Two weeks ago, the National Academy of Sciences, the national academies from the G8 countries—this was not 9 years ago but 2 weeks ago—said:

The scientific understanding of climate change is now sufficiently clear to justify national action. It is clear that all nations identify cost-effective steps that they can take now to contribute to substantial and long-term reduction in net global greenhouse gases.

That is why I appreciate the amendment of the Senator from Nebraska, which recognizes there is a problem. But we have to take prompt action now.

Mr. President, I have a fact sheet on myth versus fact that responds to some of the statements made on the floor. I ask unanimous consent that it be printed in the RECORD.

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

Myth: Most EU-15 countries are way above emissions targets.
Fact: The European Environmental Agency (EEA) concluded that the EU is on schedule to meet its Kyoto targets. This report analyzed existing and planned policies, including the Kyoto emissions trading system.

When only previously implemented policies were evaluated, the EEA calculated that the EU would not reach its Kyoto targets—reaching 1%, rather than 8%, below 1990 levels. Planned policies such as domestic EU policies (accounting for greater than 7% reductions) and international emission reductions (which are not yet ready to be allocated), however, will enable the EU to exceed its 8% goal.

Myth: The U.S. beats the EU in reducing GHG emissions.
Fact: While the U.S. emissions intensity decreased by 17.4% in the 1990s, U.S. global warming pollution grew by 14. At the same time, the EU decreased their global warming pollution by 4 percent. Greenhouse Gas intensity does not measure the quantity of global warming pollution reduced. GHG intensity for CO2 emissions is not from industry, the sector nonetheless is responsible for a significant portion of U.S. CO2 emissions.

Myth: Future global GHG emissions will come from developing countries.
Fact: The United States is currently responsible for 25% of global warming pollution, and China and India 17.8%. By population, the developing world average per capita is about 0.6 tC/year. In order to stop global warming, the world will need to reach an average of 0.3 tC/year if we want to avoid catastrophic climate change.

In addition, in the last century, developed countries were responsible for 60 percent of the net carbon emissions that have caused global warming. The United States alone contributed 16% of the global emissions from 1900–99. By comparison, China was accountable for only 7 percent and India for 2 percent.

Myth: Industry voluntary actions are sufficient.
Fact: The United States has tried a range of domestic and international voluntary efforts to reduce global warming pollution over the past decade, but U.S. emissions have continued to rise. The fact is voluntary programs alone will not stop the rise in emissions. Because the Hagel amendment relies exclusively on voluntary programs, it won’t work either.

Myth: Global warming emission limits should not be as high as they are because it will undercut economic growth.
Fact: Climate policy is essential for a secure and strong U.S. economy, as well as a healthy environment. A carbon emissions cap would encourage U.S. corporations to innovate, develop new, competitive technologies for the global market and be world leaders in technological leadership. Technological innovation in energy efficiency and renewable energy will stimulate job growth, energy independence and investments in research and development.

Political incentives to develop new clean technology will provide the certainty that U.S. companies need in order to make rational investment decisions. As the energy infrastructure in the U.S. ages and we are about to replace it, building low and no-carbon technologies now is economically essential. We will prevent costing our companies a lot more in mitigation costs when they have to retrofit plants or shut down due to lack of reliable future global warming policy. Being a leader in technological development of low and no-carbon energy technology is in fact essential to U.S. economic growth.

Myth: Current energy policy is sufficient as is. Limiting fossil fuel use will undermine this policy.
Fact: Limiting carbon pollution will strengthen the new national energy policy, which, in its current form, is insufficient to increase U.S. energy security and to protect against climate change. American companies are currently losing out on billions of dollars in profits because current U.S. energy policy has failed to provide sufficient political incentives for clean tech innovation.

Wind power, solar photovoltaics and fuel cell and hydrogen infrastructure are high-growth markets, in which U.S. companies are not the technological leaders. Solar and wind power have each grown by more than 30% annually since 2000, growth rates that are more common in such high-tech markets as personal computers and the Internet. Yet, in the past 10 years, the United States went from owning 50% of the global PV market to 10%. The U.S. companies will be more secure if we invest in technologies that reduce our dependence on fossil fuels and will be stronger if we deal with the European and Japanese companies in the profitable clean-energy market.

Myth: The United States should not implement global warming policy until developing nations commit to such policies as well.
Fact: More than one hundred and forty nations globally have agreed to collaborate and make real reductions in global warming pollution. Simply because the U.S. passes legislation different from the rest of the world’s climate policy does not mean that we are not reducing our emissions. Proposed climate amendments are far less stringent than the mandates in the Kyoto Protocol.

The debate over climate change is finished. The United States is responsible for more than a quarter of the world’s carbon dioxide emissions—more than China, India and Japan combined. While developing countries’ greenhouse gas emissions have increased, it is impossible to stop global warming without the world’s largest polluter taking action.

Domestic climate policy will create jobs in the U.S. that could save Americans billions of dollars, in addition to enabling U.S. companies to regain technological dominance in the renewable energy sector. The renewable energy sector alone would create more than 1 million jobs per megawatt of power installed, per unit of energy produced, and per dollar of investment, than the fossil fuel-based energy sector. Continuing, renewable energy jobs are dominated by unionized workers, according to Kamen et al from the University of California at Berkeley.

Myth: Creating CO2 Limits would be extremely costly.
Fact: EIA’s high cost estimates are based on an unrealistic scenario in which the U.S. does not increase renewable energy generation, fails to implement responsible energy policy and does not utilize carbon capture technology.

The Climate Stewardship Act provides a market-based solution. The Tellus Institute analyzed the bipartisan Climate Stewardship Act using a modified version of the Energy Information Administration (EIA). Net costs were calculated as the net savings to consumers as a result of this Act will reach $30 billion annually from 2013 through 2020. A different study by MIT economists found that the cost to the economy will be a modest $15–$19 per household per year from 2010–2020. Measured in terms of the impact on household purchasing power (defined as welfare costs), this is only 0.02 percent of business-as-usual consumption levels from 2010 onward.

Global warming policy will help U.S. companies profit from the high-growth clean-energy market, currently estimated at $12.9 billion. It is projected that by 2013, the combined solar photovoltaics, wind power and fuel cells and hydrogen infrastructure market will represent a $92 billion market (Clean-edge). Without the political incentive to invest in global warming technology, European and Asian technological innovation will out-compete American companies.

Myth: The President’s plan is sufficient.
Fact: President Bush’s voluntary global warming plan does not address climate concerns. It is far from sensible, putting U.S. companies at a competitive disadvantage in the global high-growth clean-energy market, and emissions of heat-trapping pollutants to continue growing indefinitely at exactly the same rate they have grown over the last 10 years. The president has used a misleading emissions “intensity” metric that disguises more pollution, not less.

The United States has tried a range of domestic and international voluntary efforts to reduce global warming pollution over the past decade, but U.S. emissions have continued to rise. The fact is voluntary programs alone will not stop the rise in emissions. Because the Bush global warming plan relies exclusively on voluntary programs, it won’t work either.

Most of the president’s proposed spending is only a continuation of past work on the science of climate change.

Bottom line: Under the Bush plan, emissions in 2012 will be 30 percent above 1990 levels and still rising.

Myth: Climate Mandates are Not Scientifically Justified.
Fact: The United States today put it on their June 13 front page, “The debate’s over. Globe is warming.”
This headline reflects the mainstream scientific consensus that human-induced global warming is occurring. Scientists are virtually certain that CO₂ pollution from fossil fuel burning and industrial production has caused global warming during the last few decades. Last week, the National Academy of Sciences and science academies of 10 other nations declared the phenomenon known as “significant human-induced warming” and called for “an immediate response” and “prompt action” to reduce global warming. They warned, “Failure to implement significant reductions in net greenhouse gas emissions now, will make the job much harder in the future.”

The preponderance of scientific evidence conclusively establishes the cause of the warming.

The warming in the late 20th century is unprecedented in the last 1000 years. Seventeen of the past 18 years have seen record heat. The global average temperature for the period from 2000 to 2019 was 0.1°C warmer than the 1950-1979 average, according to the National Oceanic and Atmospheric Administration. The average temperature for the first decade of the 21st century was 0.2°C warmer than the 1971-1990 average. The warming trend is not an isolated phenomenon. It has occurred in the northern and southern hemispheres and in every continent except Antarctica. The warming trend is not the result of random, natural climate variability.

Facts: Scientists have long been calling the human contribution to warming a significant climate contrarian. They have been warning of the impending crisis for decades. They have been calling for action for decades. They have been making clear the impacts of climate change for decades.

Myth: The “Poison Pill” Climate Amendment.
Fact: This is a circular argument, asking Congress to oppose the climate amendment because Members of Congress oppose the climate amendment.

Without climate policy, the energy bill will not significantly reduce oil dependence or global warming. A market-based solution such as the Climate Stewardship Act provides the economic opportunities and real emissions limits that must be included in a strong energy bill.

Myth: A “methane-first” strategy is more cost-effective than reducing carbon dioxide.
Fact: It is true that on a pound for pound basis, methane is a much more powerful greenhouse gas than carbon dioxide, and it should be controlled. However, carbon dioxide is the primary global warming gas because of the massive quantities of it released from burning fossil fuels. Carbon dioxide’s concentration in the atmosphere is now over 390 parts per million, higher than at any time during the last 400,000 years.

Myth: Greenhouse gas caps are bad for the economy.
Fact: A key finding of the Tellus Institute analysis of the Climate Stewardship Act is that the cost of global warming pollution included in the act is not significantly higher than the cost of emissions from other sources.

Myth: The “Poison Pill” Climate Amendment.
Fact: This is a circular argument, asking Congress to oppose the climate amendment because Members of Congress oppose the climate amendment.

Without climate policy, the energy bill will not significantly reduce oil dependence or global warming. A market-based solution such as the Climate Stewardship Act provides the economic opportunities and real emissions limits that must be included in a strong energy bill.

Myth: A “methane-first” strategy is more cost-effective than reducing carbon dioxide.
Fact: It is true that on a pound for pound basis, methane is a much more powerful greenhouse gas than carbon dioxide, and it should be controlled. However, carbon dioxide is the primary global warming gas because of the massive quantities of it released from burning fossil fuels. Carbon dioxide’s concentration in the atmosphere is now over 390 parts per million, higher than at any time during the last 400,000 years.

Myth: Greenhouse gas caps are bad for the economy.
Fact: A key finding of the Tellus Institute analysis of the Climate Stewardship Act is that the cost of global warming pollution included in the act is not significantly higher than the cost of emissions from other sources.

Myth: The “Poison Pill” Climate Amendment.
Fact: This is a circular argument, asking Congress to oppose the climate amendment because Members of Congress oppose the climate amendment.

Without climate policy, the energy bill will not significantly reduce oil dependence or global warming. A market-based solution such as the Climate Stewardship Act provides the economic opportunities and real emissions limits that must be included in a strong energy bill.

Myth: A “methane-first” strategy is more cost-effective than reducing carbon dioxide.
Fact: It is true that on a pound for pound basis, methane is a much more powerful greenhouse gas than carbon dioxide, and it should be controlled. However, carbon dioxide is the primary global warming gas because of the massive quantities of it released from burning fossil fuels. Carbon dioxide’s concentration in the atmosphere is now over 390 parts per million, higher than at any time during the last 400,000 years.

Myth: Greenhouse gas caps are bad for the economy.
Fact: A key finding of the Tellus Institute analysis of the Climate Stewardship Act is that the cost of global warming pollution included in the act is not significantly higher than the cost of emissions from other sources.
and clearer that global warming is a problem.

What is not changing is the failure of some of my colleagues to recognize that science. Senator McCain is right. We fought hard again, but we are not going to win this vote. As he so eloquently said, the real losers here are our children and grandchildren. If we don't act soon, they are going to inherit a planet that is not going to be as hospitable as the one we were given by our parents and grandparents. The fact is, however, that we see something hopeful changing around this Senate, and it is an increasing recognition that global warming is a real problem. Some of our friends may go back to those old arguments. You can always find one scientist who disagrees with the great majority of them. But there is a prevailing, powerful consensus internationally that global warming is real. I see that consensus now being expressed in the Senate.

When Senator McCain and I started on this effort to have America do something to reassert its moral leadership in the global battle to stop the planet from warming dangerously, some people said we were "smoking something" or that we were up to our ears in the science. That has changed now. Now people are saying: Yes, we agree with you that there is a problem. But we think you are going at it the wrong way. You are trying to do too much too soon. I took heart from the statement by Senator DeWine of Ohio, who came to the conclusion, based on thoughtful consideration, that the science tells him this planet is warming, and he doesn't want to look back at the end of his service and say he didn't do anything about it. He is not ready to support the bill. He has a couple of changes he wants to make. Senator Domenici basically said the same thing.

The science is compelling. Global warming is a problem, and colleague after colleague, including Senator Feinste in of California, Senator Akaka of Hawaii, Senator Nelson of Florida, has come to the floor and said that they see it in their statements. They see with their own eyes the impact that global warming is having. Senator Carper brought pictures his friend had taken of glaciers melting over a period of years.

The question is, Are we going to change and follow the advice of Senator Cooney, which is to say that the generation now is no different than anything fashioned by human beings, but we think it is the only real opportunity the Senate will have in this session—to do something real about global warming. It is not enough to say: "I think this is a problem; there is—are you willing to work to do something about it? If you are, you will vote for this amendment."

I quoted Jonas Salk yesterday when we began the debate, the discoverer of the polio vaccine. He said something to this effect: One of the most important things for anybody to do in life is to be a good ancestor. We must be good ancestors, which is to say that the generations who follow us will look back at us and ask: Were they good ancestors? Did they turn the world over to us in better condition than they received it. If we don't do anything about global warming, we are going to turn this world over to our children and grandchildren in a much worse condition than we received it. I end not with science, not with economics, not with politics because the times are changing, and eventually the Senate will change with those times and catch up with the reality and the American people. Finally, we are blessed to live on this planet and not guarding it as well as we should be.

This amendment will help us to do that.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. REID. Mr. President, I will use my leader time. Mr. President, global warming constitutes one of the greatest challenges of our time. I believe that greenhouse gas emissions from the burning of fossil fuels have threatened not only our environment but also our economy and public lands. Should we continue unabated our current rate of polluting, we threaten to disrupt the delicate ecological balance on which our livelihoods and our lives depend.

Addressing this growing environmental threat demands strong leadership. I am afraid such leadership has been sorely lacking by this administration. Instead, the White House has been doctoring information about global warming in reports by Government scientists. A White House senior official named Philip Cooney, removed or adjusted descriptions of climate change research that scientists had already approved. Mr. Cooney previously worked as a lobbyist for the American Petroleum Institute before joining the administration in 2001. A few days after resigning from the administration, Mr. Cooney had the audacity, and ExxonMobil had the misfortune and the inability to see how wrong they were, they hired him. ExxonMobil hired him—the same man who has opposed measures to reduce greenhouse gas emissions and has funded groups of global warming skeptics.

It is time for the administration to bypass the filtering bias of the White House, and hear directly from scientists, the international community, corporations, and a growing number of Republicans who are calling for a Federal policy to reduce global warming pollution.

The President is increasingly isolated on this issue, as highlighted recently in a number of ways. First, in advance of the G8 summit next month, the National Academy of Sciences and the equivalent organizations from 10 other countries said last week:

The scientific understanding of climate change is now sufficiently clear to justify nations taking prompt action. It is vital that all nations identify cost-effective steps that they can take now to contribute to substantial and long-term reduction in net global greenhouse gas emissions.

Famed "The Terminator," California Governor Arnold Schwarzenegger, recently said, "The debate is over, and announced a goal of cutting the State's emissions by 80 percent by the year 2020.

A bipartisan group of mayors from 158 American cities issued a statement calling on the Federal Government to reduce global warming. The mayors, who represent 32 million people, acknowledged the clear public mandate to act. They noted that reducing greenhouse gas emissions will help ensure our energy security for this country.

Even industry is breaking ranks with the White House. General Electric, one of the largest companies in the nation, if not the largest, recently joined a growing list of businesses calling on the Federal Government to provide stronger leadership on global warming. Fortune 500 companies, such as Alcoa, British Petroleum, DuPont, Eastman Kodak, IBM, Intel, Johnson & Johnson, and Nike, to name a few, have all made significant reductions in their greenhouse gas emissions.
The United States accounts for about 4 percent of the world's population. Yet it is responsible for more than 25 percent of the world's global warming pollution. U.S. leadership on global warming is critical to building international support for future global reductions, and America's industry needs to be part of the solution to drive the technology that will make technology solutions feasible to all nations. We must set the example.

The McCain-Lieberman amendment would cap greenhouse gas emissions in 2010 at 2000 levels and establish a mandatory economywide cap-and-trade program. The amendment would limit emissions of global warming pollutants by electric utilities, major industrial and commercial entities, and refiners of transportation fuels.

The amendment would allow businesses to devise and implement their own solutions using a flexible emissions trading system that has successfully reduced acid rain pollution under the Clean Air Act at a fraction of anticipated costs. By setting reasonable caps on emissions and permitting industry to trade in pollution allowances, this creates a new market for reducing greenhouse gases. We cannot afford to defer action to address global warming.

I commend and applaud these two great Senators for joining together to bring to the attention of the Senate a world problem that takes the United States, via example, to solve.

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

The PRESIDING OFFICER. The legislative clerk called the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, I understand Senators SPECTER and ALLARD would like to speak. I ask unanimous consent they be recognized to speak. I yield up the floor, and I then recognize myself to call up my amendment, numbered 866.

Mr. INHOFE. Reserving the right to object, do we have a time agreement on your resolution?

Mr. BINGAMAN. Mr. President, there is no time agreement entered. I am glad to enter into an hour-long time agreement, equally divided, if that is acceptable.

Mr. INHOFE. How about 20 minutes, equally divided, and I yield back my time.

Mr. BINGAMAN. I believe myself, Senator DEMENICHI, and perhaps Senator SPECTER wish to speak on my amendment. I hesitate to limit it to 10 minutes if that is what the Senator is suggesting.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, let me restate the request. Senators SPECTER and ALLARD would like to speak. I ask unanimous consent they be recognized to speak for up to 10 minutes each. Following that, the Senator from Oklahoma and I would have time equally divided on the modified Bingaman amendment, numbered 866, and a vote would occur in relation to that amendment at 5:30, with no amendments in order.

Mr. WARNER. Reserving the right to object, I would like to get into the queue at the amendment, numbered 866, and a vote would occur in relation to that amendment at 5:30, with no amendments in order.

Mr. WARNER. I want to help the managers keep this bill moving. We would not require more than 30 minutes of Senator SPECTER and Senator ALLARD and 20 minutes equally divided between the Senator from New Mexico and the Senator from Oklahoma, with a vote time certain at 5:30. Is there objection?
Mr. ALEXANDER. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALEXANDER. Could I ask the Senator from New Mexico, how do I get in the amendment?

Mr. LAUTENBERG. Mr. President, I object.

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, could we have the unanimous consent request put to the Senate again.

Mr. INHOFE. Reserving the right to object.

Mr. BINGAMAN. Let me restate it for Senators who might not have heard it before: We recognize Senator SPECTER to speak for up to 10 minutes. We recognize Senator ALLARD to speak for up to 10 minutes. The remainder of the time, between now and 5:30, would be equally divided between the Senator from Oklahoma and myself in relation to the modified amendment that I have offered, amendment No. 866. There would be a vote at 5:30 on or in relation to amendment No. 866, as modified.

Mr. KERRY. Reserving the right to object.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum once again.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BINGAMAN. Mr. President, let me restate the request. I ask unanimous consent that Senator SPECTER be recognized to speak for up to 10 minutes; Senator ALLARD from Colorado be recognized to speak for up to 10 minutes; and following that, I be recognized to present my amendment No. 866 and a modification of that amendment; that the time between then and 5:40 be equally split between myself and the Senator from Oklahoma; and that we would then have a vote at 5:40.

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

Without objection, it is so ordered.

Mr. DOMENICI. A vote on or in relation to the amendment. He wants to table it.

Mr. INHOFE. I already indicated that.

Mr. DOMENICI. That is part of the consent request.

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

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my colleagues for the time. I appreciate the 10 minutes. I will try to reduce that time because I see the congested calendar here today.

Mr. President, I have sought recognition to comment, first, about the very serious situation with oil prices—approximating $60 a barrel now—and the average cost of gasoline across the country at $2.13. This is a problem which has beset the United States and the world for decades now. I remember with clarity the long gas lines in about 1973.

I have believed for a long time that we ought to be moving against OPEC under the laws which prohibit conspiracies and restraint of trade. I set forth, in a fairly detailed letter to President Clinton, April 11, 2000, my recommendations for litigation by the Federal Government against OPEC, and I repeated it in a letter to President Bush dated April 25, 2001. I ask unanimous consent that both of these letters be printed in the RECORD at the conclusion of my statement.

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

(See exhibit 1.)

Mr. SPECTER. I was then pleased to see my distinguished colleagues, Senator DeWINE and Senator KOHL, introduce what is now S. 555, the No Oil Producing and Exporting Cartels Act of 2005, which was accepted by voice vote yesterday. What this bill does essentially is to codify the ability of the Government to proceed against OPEC under the antitrust laws.

It is my legal opinion, as set forth in the detailed letters to both President Clinton and President Bush, that the United States has that authority now, that it is not governmental activity when OPEC gets together and conspires, it is commercial activity. They do business in the United States. They are subject to our antitrust laws. And we should have moved on them a very long time ago.

It is my hope the DeWine-Kohl bill, which I cosponsored, which has come out of the Judiciary Committee and the Antitrust Subcommittee, will be retained in conference. It is always a touchy matter to have a voice vote as opposed to a rollcall vote where if the numbers are very substantial it may be that the amendment will be taken more seriously in conference than if it is a voice vote. But I urge the managers to take the DeWine-Kohl amendment very seriously, and which I have cosponsored. We ought to be moving against OPEC because of their cartel activity.

To that end, I voted earlier today for the Schumer Sense of the Senate amendment calling on the President to confront OPEC to increase oil production and vigorously oversee oil markets to protect the U.S. from price gouging. I supported the amendment even though I disagreed with another section calling for the release of oil from the Strategic Petroleum Reserve. While I recognize that the Sense of the Senate amendment is not binding, I believe the strong vote sends a signal to the Administration that there is support for action against OPEC.

I know the floor is going to be very crowded a little later, so I am going to take this opportunity to speak very briefly on the amendment which is offered by Senator BINGAMAN—cosponsored by Bingaman-Byrd-Specter. And I think Senator DOMENICI is going to join it as well.

I commend Senator BINGAMAN for his initiatives on the issue of our energy policy to try to cut down on emissions and to try to cut down on the problems of global warming. We have just had a vote on the amendment offered by Senator MCCAIN and Senator LIEBERMAN. We had a vote on it in the year 2003. It has always been a very attractive amendment.

I opposed it because I believe that it puts the United States at a very substantial economic disadvantage with other countries that are not compelled to comply. As a Senator from Pennsylvania, I have a duty to be specially concerned about what is happening in coal, what is happening in steel, but I think the thrust of it is something. The objectives need to be obtained.

The National Commission on Energy Policy published a report last year which deals with the problems of emissions reductions and the cap on emissions in trade so that one company may utilize the emission limit of another company. I have been in discussions with Senator BINGAMAN on that, and I am glad to see his amendment is moving forward at this time. I am pleased to be a cosponsor of his amendment. I believe this will take a significant step forward on the issue of global warming. It would always be desirable to move farther ahead in a more dramatic fashion, but I think this is a significant step forward.

I have been pleased to work with Senator DOMENICI. I compliment the chairman. And Senator BINGAMAN, the ranking member, I compliment him on a number of amendments which I think will strengthen the energy policy of the United States.


President WILLIAM JEFFERSON CLINTON,
The White House, Washington, DC.

DEAR MR. PRESIDENT: In light of the very serious problems caused by the recent increase in oil prices, we now want you to share our view that we should explore every possible alternative to stop OPEC and other oil-
producing states from entering into agreements to restrict oil production in order to drive up the price of oil.

This conduct is nothing more than an old-fashioned cartel in restraint of trade which has long been condemned under U.S. law, and which should be condemned under international law.

After considerable research, we suggest that serious consideration be given to two potential lawsuits against OPEC and the nations conspiring with it.

(1) A suit in Federal district court under U.S. antitrust law.

(2) A suit in the International Court of Justice as a potential means to avoid advisory opinion under “the general principles of law recognized by civilized nations,” which includes prohibiting oil cartels from conspiring to limit production and raise prices.

A case can be made that your Administration can sue OPEC in Federal district court under U.S. antitrust law. OPEC is clearly engaging in a “conspiracy in restraint of trade” in violation of the Sherman Act (15 U.S.C. Sec. 1). The Administration has the power to sue under 15 U.S.C. Sec. 4 for injunctive relief and recovery of damages.

In addition, the Administration should consider suing OPEC for treble damages under the “Clayton Act (15 U.S.C. Sec. 15a), since OPEC’s behavior has caused a ‘loss of opportunity’ to U.S. property.” After all, the U.S. government is a major consumer of petroleum products and must pay higher prices for these products. In Reiter v. Sonotope Corp., 442 U.S. 30 (1979), the Supreme Court held that the consumers who were direct purchasers of certain hearing aids and who were injured by the actions of manufacturers had led to an increase in prices they had to pay. In contrast, the 9th Circuit reached almost twenty cases in which it has determined to in fact be participating in the conspiracy to limit production and raise prices.

The 9th Circuit itself acknowledged in its opinion that “The mere fact that OPEC has adopted a rigid rule of application, but rather application of the rule will depend on the circumstances of each case. The Court also noted that “The availability of internationally-accepted legal principles which would render the issues appropriate for judicial disposition.” The Court then quotes from the Supreme Court’s opinion in Banco Nacional de Cuba v. Sabbatino, 376 U.S. 398 (1964):

‘It should be apparent that the greater the degree of conspiracy, the more important it is for the courts to make a decision by the ICJ, shows the rapidly expanding horizon of international law.

While these emerging norms of international behavior have tended to focus more on the rights of individuals, there is another economic issue on which an international consensus has emerged in recent years—the illegitimacy of the price fixing cartels. For example, the Organization for Economic Cooperation and Development issued an official “Recommendation” that all twenty-nine member nations “ensure that their competition laws effectively halt and deter hard core cartels.” The recommendation defines “hard core cartels,” which are establish oil prices.

The Recommendation further instructs member countries “to cooperate with each other in enforcing their laws against such cartels.”

On October 9, 1998, eleven Western Hemisphere countries held the first “Antitrust Summit of the Americas” in Panama City, Panama. At the close of the summit, all eleven participants issued a joint communiqué in which they express their intention “to affirm their commitment to effective enforcement of competition laws, particularly in combating illegal price-fixing, bid-rigging, and market allocation.” The communiqué further expresses the intention of governments to “negotiate with one another . . . to maximize the efficacy and efficiency of the enforcement of each country’s
competition laws." One of the countries participating in this communiqué, Venezuela, is a member of OPEC.

The behavior of OPEC and other oil-producing nations in restraint of trade violates U.S. antitrust law and basic international norms, and it is injuring the United States and its citizens in a very real way. Consideration of such legal action could provide an inducement to OPEC and other oil-producing countries to raise production to head off such litigation.

We hope that you will seriously consider judicial action to put an end to such behavior.

ARLEN SPECTER,
HERB KOHL,
CHARLES SCHUMER,
MIKE DEWINE,
STROM THURMOND,
JOE RYDEN

UNITED STATES SENATE,

President GEORGE WALKER BUSH,
The White House,
Washington, DC.

Dear Mr. President: In light of the energy crisis and the high prices of OPEC oil, we know you will share our view that we must explore every possible alternative to stop the current run-up in oil prices and ensure that the United States continues to have a plentiful supply of commercial fuel.

We are prepared to consider all legal options available to ensure that OPEC is constrained within the limits of its power.

After some research, we suggest that serious consideration be given to two potential lawsuits against OPEC and the nations comprising it:

(1) A suit in Federal district court under U.S. antitrust law.

(2) A suit in the International Court of Justice at the Hague based upon "the general principles of law recognized by civilized nations."

(1) A suit in Federal district court under U.S. antitrust law.

A strong case can be made that your Administration can sue OPEC in Federal district court under U.S. antitrust law. Under the antitrust laws, we conclude that OPEC is clearly engaging in a "conspiracy in restraint of trade" in violation of the Sherman Act (15 U.S.C. Sec. 1). The Administration has made all the necessary filings under 15 U.S.C. Sec. 4 for injunctive relief to prevent such collusion.

In addition, the Administration has the power to sue OPEC for treble damages under the Clayton Act (15 U.S.C. Sec. 15a), since OPEC’s behavior has caused an "injury" to U.S. "property." After all, the U.S. government is a consumer of petroleum products and must now pay higher prices for these products.

In Reuter v. Sonatrach Corp. 442 U.S. 330 (1979), the Supreme Court held that the consumers of certain hearing aids who alleged that collusion among manufacturers had led to an increase in prices had standing to sue those manufacturers under the Clayton Act since "a consumer deprived of money by reason of allegedly anticompetitive conduct is injured in "property" within the meaning of the Clayton Act."

One issue that would be raised by such a suit is whether the Foreign Sovereign Immunities Act ("FSIA") provides OPEC, a group of sovereigns, immunity from suit in U.S. courts. To date, only one Federal court, the District Court for the Central District of California, has reviewed this issue. In International Association of Machinists v. OPEC, 477 F. Supp. 553 (1979), the Court held that the nations which comprise OPEC were immune from suit in the United States under the FSIA. We believe that this opinion was wrongly decided and that other district courts, including the D.C. Circuit, can and should overrule it.

This decision in Int. Assoc. of Machinists turned on the technical issue of whether or not the nations which comprise OPEC are engaged in "governmental activity" or "governmental activity" when they cooperate to sell their oil. If they are engaging in "governmental activity," then the FSIA shields them from suit in U.S. courts. However, we believe that these nations are engaging in "commercial activity," then they are subject to suit in the U.S. The California Court held that OPEC activity is "governmental activity." We disagree. It is certainly a governmental activity for a nation to regulate the extraction of petroleum from its territory by ensuring compliance with zoning, environmental and other regulatory regimes. It is clearly a commercial activity, however, for these nations to sit together and collude to limit their oil production for the sole purpose of increasing prices.

The 9th Circuit affirmed the District Court’s ruling in Int. Assoc. of Machinists in 1981 (469 F.2d 1354), but on the basis of an entirely different legal principle. The 9th Circuit held that the Court could not hear this antitrust action because the doctrine of "act of state" which holds that a U.S. court will not adjudicate a politically sensitive dispute which would require the court to judge the legality of the sovereign act of a foreign state.

The 9th Circuit itself acknowledged in its Int. Assoc. of Machinists opinion that "The [act of state] doctrine does not suggest a rigid rule. Rather, the application of the rule will depend on the circumstances of each case. The Court also noted that A further consideration is the behavior of other nations, which has accepted legal principles which would render the issues appropriate for judicial disposition."
The Court then quotes from the Supreme Court’s opinion in Banco Nacional de Cuba v. Sabbatino, 376 U.S. 398 (1964):

"It should be apparent that the greater the degree of codification or consensus concerning a particular area of international law, the more appropriate it is for the judiciary to render decisions regarding it, since the process of codification or consensus development of an agreed principle to circumstances of fact rather than on the sensitive task of establishing a principle not inconsistent with the national interest or with international justice."

Since the 9th Circuit issued its opinion in 1981, there have been major developments in international law that impact directly on the subject matter at issue. As we discuss in greater detail below, the 1990’s have witnessed a significant increase in efforts to seek codification of international norms of behavior through international courts and tribunals. In addition, there is strong evidence of an emerging consensus in international principles and norms that cartel-like behavior violates such international norms. Accordingly, a court choosing to apply the act of state doctrine to a dispute with OPEC today may well make a different conclusion than the 9th Circuit reached almost twenty years ago.

(2) A suit in the International Court of Justice at the Hague based upon "the general principles of law recognized by civilized nations."

In such an action, we believe you should give serious consideration to bringing a case against OPEC before the International Court of Justice. There are several circumstances in which you should consider both a direct suit against the conspiring nations as well as a request for an advisory opinion from the Court through the auspices of the U.N. Security Council. The actions of OPEC in restraint of trade violate the general principles of law recognized by civilized nations." Under Article 36 of the Statute of the ICJ, the Court is required to apply these "general principles" when deciding cases before it.

We hope that you will seriously consider judicial action to put an end to such behavior.

ARLEN SPECTER,
CHARLES SCHUMER,
HERB KOHL,
STROM THURMOND,
Mr. SPECTER. Mr. President, how much time of my 10 minutes remains?

The PRESIDING OFFICER. Four minutes 43 seconds.

Mr. SPECTER. I yield it back and ask for an appropriate credit. Thank you.

The PRESIDING OFFICER. So noted.

Mr. ALLARD. Mr. President, I rise today to speak about the Energy bill which we are considering on the floor.

I am grateful to the majority leader and minority leader and to the leaders of the Energy Committee, for bringing this legislation to the floor. I want to especially commend Senator Domenici, chairman of the Energy Committee, for his leadership on this bill. He has worked tirelessly on this important legislation, and our Nation owes him a great deal of appreciation for his persistence.

Ongoing events, here in the United States as well as around the world, are daily reminders of how desperately our country needs a sound energy policy. One only has to pick up a newspaper or listen to the nightly news to know that our national security is one of the most important issues we are currently facing. And one only has to receive their monthly electric bill or drive past a gas station to know that our energy markets are in need of certainty and stability. That is why the third Congress during which we have tried to pass an energy bill, and I say it is time to get it done.

I would like to first speak about oil shale, a promising fuel source found in abundance in the Rocky Mountain region. The oil shale in this region produces a very light crude, suitable to fill needs for jet fuel and other very pure fuels. During the last several years a handful of companies have worked to develop technologies that will allow for economically and environmentally feasible development of this resource.

Some of the oil shale resources lie under private lands, but much of it—certainly the richest deposit—lies under Federal lands. This area, now under the purview of BLM, was formerly known as the Naval Oil Shale Reserve. I would remind my colleagues that, when my former colleague Senator Ben Nighthorse Campbell of Colorado, authored the legislation to transfer the Naval Oil Shale lands into the keeping of BLM, the legislation specified that the resource remain available for development. Congress recognized that BLM was in a better position to manage the publicly owned lands than was the Department of Energy, but we never intended to place the development of the resources in this area off limits.

The energy legislation we are considering here allows for small-scale demonstration projects. But I am also working with my colleagues, Senator HATCH and Senator BENNETT, on provisions that will help lead to commercialization after the demonstration projects have proven themselves.

It is a bad business practice to pour millions of dollars into research and development projects with no hint of assurance those projects will lead to success. I believe it is important to give companies that are investing tens of millions of dollars into these research projects a proverbial light at the end of the tunnel.

As a founder and cochairman of the Renewable Energy and Energy Efficiency Caucus I am also supportive of incentives that are included in the legislation to continue moving the country’s use of renewable resources forward. Technological advancements in solar, wind, geothermal, biomass, fuel cells, and hydro have made great strides. And increases in technology have led to decreases in price. Government has played an important role in the research that will help us reach our renewable technology goals, and we should continue after those goals.

The input and investments of the Federal Government have been vital in furthering industry and private sector involvement in the renewable field. The National Renewable Energy Laboratory, NREL, in Colorado, has made an incredible contribution, and has played a very important part in current technological advancements. The technologies being developed at NREL—whether providing alternative fuels and power, or making our homes and vehicles more energy efficient—are vital to our Nation’s energy progress.

We must continue to provide incentives for the implementation of renewable uses and for the infrastructure necessary to support these renewable sources. These technologies are a necessary step in balancing our domestic energy portfolio, increasing our Nation’s energy security and advancing our technological excellence, and I believe this bill takes an important step in that direction.

It is my hope that Congress passes an energy bill this year. I think that we will be making a huge step in that direction when the Senate does pass this bill. In closing I extend my thanks and admiration to Senators Domenici and Bingaman, and their staffs, for the long hours and extreme dedication they have given to this matter. I must say that I am pleased that this is the energy bill we have produced in a number of years, and I know there are many throughout the country, even on the other side of the Hill, who agree with me. The President is ready to sign an energy bill and I am hopeful that we are able to give him one in the very near future.

I yield the floor.

AMENDMENT NO. 866, AS MODIFIED
(Purpose: To express the sense of the Senate on climate change legislation.)

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, as I understand it, under our unanimous consent agreement, it is now appropriate for me to call up amendment No. 866, as modified.

The PRESIDING OFFICER. That is correct. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. Bingaman, for himself, Mr. Domenici, Mr. Specter, Mr. Alexander, Ms. Cantwell, Mr. LIERBERMAN, Mr. LUTENBERG, Mr. McCAIN, Mr. Jeffords, Mr. KERRY, and Ms. Snowe] proposes an amendment numbered 866, as modified:

At the end of title XVI, add the following:

SEC. 16. SENSE OF THE SENATE ON CLIMATE CHANGE.

(a) FINDINGS.—Congress finds that—

(1) greenhouse gases accumulating in the atmosphere are causing average temperatures to rise at a rate outside the range of natural variability and are posing a substantial risk of rising sea-levels, altered patterns of atmospheric and oceanic circulation, and increased frequency and severity of floods and droughts;

(2) there is a growing scientific consensus that human activity is a substantial cause of greenhouse gas accumulation in the atmosphere; and

(3) mandatory steps will be required to slow or stop the growth of greenhouse gas emissions into the atmosphere.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should enact a comprehensive and effective national program of mandatory, market-based limits and incentives on emissions of greenhouse gases that slow, stop, and reverse the growth of such emissions at a rate and in a manner that—

(1) will not significantly harm the United States economy; and

(2) will encourage comparable action by other nations that are major trading partners and key contributors to global emissions.

Mr. BINGAMAN. Mr. President, I went ahead and allowed the clerk to complete the reading of the amendment because it is short and because it is important that Members focus on what is contained in the amendment. I had a significant debate on the Senate floor with regard to the proposal made by Senators MCCAIN and LIEBERMAN to cap greenhouse gas emissions. Some voted for it because they believed that this was an appropriate proposal. Others voted against it—some because they did not believe the issue is a valid one; some because they did not believe the effect on the economy was one they would favor; others because of the workability of it. I worked with Senator DOMENICI during recent weeks to see if we could come up with a proposal based on the National Commission on Energy Policy recommendations which would have done some of the same things but would have been a more modest beginning at containing and constraining carbon emissions going into the atmosphere.

We were not able, frankly, to get agreement among enough Senators that the proposal, as currently drafted, is workable in any respect. Therefore, Senator DOMENICI has indicated here on the Senate floor that he will try to have hearings and that we will be able
The resolution that is before the Senate right now and that we are scheduled to vote on in another half hour is an effort to see if we can get agreement on some basic propositions. In my opinion, it is very important, and I want to demonstrate agreement on basic propositions in order that we can move ahead and deal effectively with this important and complex issue.

The propositions were as read. Let me go over them once again for my colleagues so that everyone knows what is contained in the resolution. Before I go through that, let me indicate the cosponsors of this resolution are Senators Domenici, Specter, Alexander, Cantwell, Lieberman, Lautenberg, McCain, Kennedy, and Snowe.

I ask unanimous consent that they all be listed as cosponsors of the amendment.

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

Mr. BINGAMAN. The amendment is a sense of the Senate. It reads:

Findings. Congress finds that greenhouse gas accumulations in the atmosphere are causing average temperatures to rise at a rate outside the range of natural variability and are posing a substantial risk of rising sea levels, altered patterns of atmospheric and oceanic circulation, and increased frequency and severity of floods and droughts.

I know this is an issue that some in this Senate disagree strongly with, and I am sure my colleague from Oklahoma will take great exception to this. I believe the science is well established that this is the case, and the National Academy of Sciences has stood behind that basic statement.

This is the second statement in the resolution:

There is growing scientific consensus that human activity is a substantial cause of greenhouse gas accumulation in the atmosphere.

Again, we may have Members here in the Senate who disagree with that conclusion. They are certainly free to do that. But I hope a majority of the Senate agrees with it.

The third reading set out in this amendment is that "mandatory steps will be required to slow or stop the growth of greenhouse gas emissions into the atmosphere."

There are some who have spoken in the Senate today who have said that mandatory steps are not required, that this problem will be solved by voluntary action, that the marketplace is solving this problem as we speak, and we do not need to be concerned about enacting any kind of mandatory provisions. It is respectfully disagree with that perspective. I respectfully suggest that this is an issue that is going to require action of a mandatory nature by this Congress, and we need to acknowledge that.

The final part of the amendment is the sense-of-the-Senate provision. It says:

It is the sense of the Senate that Congress should enact a comprehensive and effective national program of mandatory, market-based limits and incentives on emissions of greenhouse gases that slow, stop, and reverse the growth of greenhouse gases in a manner that, No. 1, will not significantly harm the U.S. economy and, No. 2, will encourage other action and key contributors to global greenhouse gas accumulation.

I will point to two charts that are an outgrowth of the work of this National Commission on Energy Policy in order to indicate to my colleagues why we have the language of this provision written as it is.

This first chart is the Commission climate program timeline. What they have proposed in their recommendations is a system which has been criticized by some in the environmental community and too modest. I can understand those criticisms. But it is a proposal that would slow the rate of increase of emissions for the first 10 years. Then about 2020, you would be into a period where emissions would begin to decline.

As I say, some who are on the environmental side say that is too modest, we can't do that much. But others, of course, say it is too onerous, and we can't do that much. What we have tried to do with this sense of the Senate is to say, OK, some think it is too onerous, some think it is too much. Can we at least get agreement that we have to put into place some type of system, some type of mandatory limits that will, in fact, begin to slow the rate of emissions, eventually stop the rate of emissions, and bring emissions down? That is what we are trying to do.

There is one other chart. I wish to show. That relates to the harm to the economy. I know that much of the discussion on the McCain-Lieberman amendment was that if we were to enact that amendment, it would have a devastating effect on the U.S. economy. I disagree with that. But I am suggesting that there are ways—and the National Commission on Energy Policy concluded that as well—that we can responsibly act to contain emissions without significantly affecting our economy in an adverse way.

This chart shows that graphically. What it basically shows is that the economy is expected to grow very dramatically between 2005 and 2025. You can see that the growth of the economy will be $312.47 trillion. That is business as usual. We asked the Energy Information Agency, which is part of our own Department of Energy and the executive branch of our Government, to simulate what they thought the effect of the National Commission's recommendations on greenhouse gas would be to those figures. How much would it impact the economy? They concluded that under the NCEP proposal, you would see a very slight reduction in the amount of growth in the economy. So over that 20-year period, it would be $312.16 trillion instead of $312.47 trillion.

The resolution that is before the Senate today who have said that mandatory steps are not required, that the marketplace is solving this problem will be solved by voluntary action, that will not adversely affect our economy, and that is exactly what we should be about, is trying to put that into place.

This resolution is nothing but a sense-of-the-Senate resolution. But it is important that we pass it. In my opinion, it is important that we pass it because the Senate is on record in 1997 as voting unanimously against going forward with the Kyoto treaty, and one of those who voted not to proceed with signing on to the Kyoto treaty.

That does not mean we should not take this step. This step would be the responsible thing to do. It would say this is a responsible way to do it, and then you would go into a phase where emissions would begin to decline.

I very much appreciate the good faith with which my colleague, Senator Inhofe, and Senator Domini, worked with me to see if there was something that could be jointly proposed to deal with this issue as part of the Energy bill. It was his conclusion—which is certainly understandable—that there was too much complexity involved at this point and too many unanswered questions for us to proceed with an amendment to solve the problem as part of the Energy bill.

But I am very pleased that he is willing to cosponsor this sense-of-the-Senate resolution, indicating that even through we are not able to go as far as an amendment to the Energy bill, we can in fact plan to go ahead.

Mr. President, with that, I will reserve the remainder of my time.

Mr. INHOFE. Mr. President, how much time remains for me?

The PRESIDING OFFICER. Senator BINGAMAN has 5 minutes 21 seconds, and Senator INHOFE has 17 minutes 22 seconds.

Mr. INHOFE. Mr. President, first of all, I know what a sense-of-the-Senate resolution is. Everybody here knows if you establish a position on a bill that is very meaningful, such as the bill...
that was defeated—the McCain-Lieberman bill—you can turn around and vote for a sense of the Senate and play both sides. Essentially, I think that is what happened here. Very clearly, a sense of the Senate doesn't work. If you don't vote for the bill, you have demonstrated very clearly that they are not true and not scientifically based.

The first one is on the first page of the sense-of-the-Senate resolution. It says:

Greenhouse gases accumulating in the atmosphere are causing average temperatures to rise at a rate outside the range of natural variability.

We talked about this for 3 hours today, and it is not true. If you are concerned about, for example, surface temperatures, we have climate research, published in 2004, that says overall averages of warming rates is overstated. This is due to significant contamination with land-based weather stations, so you add up to a net warming bias at the global averaging level.

Then, on climate research of 2004, this study refutes common claims that nonclimatic data in the other reconstruction is unfairly identified, filtered out by the IPCC. That is the International Panel on Climate Control, which we talked about in the beginning of this. Again, we look at this, in terms of satellite data, as printed in the text of the central station publication in 2004:

Substantial cooling has occurred in the lower stratospheric layer of the atmosphere over the past 25 years.

In other words, in the stratosphere, starting between 8 and 25 miles above the surface, it is not heating; it is actually reducing; the temperatures are reducing. This false conclusion that the stratosphere is warming should never have been published since the evidence was misinterpreted.

So we are saying something in this resolution that, quite frankly, is not true.

Second, it is "posing a substantial risk of rising sea levels, altered patterns of weather, and the direct and indirect costs, and the damage in global warming, we spent time today talking about that. The foremost authority nationwide is a guy named Dr. Christopher Landsea. He says that hurricanes are going to continue to hit the United States on the Atlantic coast, and the damage will probably be more expensive than in the past, but this is due to the natural climate cycles which cause hurricanes to be stronger and more frequent and rising property prices.

Obviously, it is going to cost more if you damage property that is increasing in value. He says that contrary to the belief of the environmentalists, reducing CO2 isn't going to make a difference in the impact of hurricanes. The best way to reduce the toll hurricanes would take on coastal communities is through adaptation and preparation. I think we all understand that. Rising sea levels. We talked about this today, too. They always talk about this Tuvalu, the island supposedly that is going to sink into the ocean. John Daly, in the report that came out—I don't think anybody questions his credibility—says the historical record, from 1978 through 1999, indicated a sea level rise of 0.07 millimeters per year, where IPCC claims a 1 to 2.5 millimeter sea rise for the world as a whole, indicating the IPCC claim is based on faulty modeling. The national title facility based in Aventura, Florida, refuted the Tuvalu claims as unfounded. It goes on and on refuting that.

The next thing it says in this resolution is that the science is settled. I don't know how many times have to say that. The science that was assumed to be true, based on the 1998 revelation of Michael Mann on the very famous "hockey stick" theory, has been refuted over and over again. We have the energy and environment report that came out 2003 that says the original Mann papers contain collation errors, unjustifiable truncations of extrapolation of source data, obsolete data, geographical location errors, incorrect calculations of the principal components, and other quality control defects. It goes on to say that while studying Mann's calculation methods, McIntyre and McKitrick found that Mann's component calculation used only one series in a certain part of the world, which is not the whole world. They discovered that this unusual method nearly always produces a hockey stick shape, regardless of what information is put into it.

We had the charts out less than an hour ago. It is very clear that if you plot the temperature, as he did over the period of the last hundred years, it shows a fairly level line, until it comes to the 20th century, and it goes up. That is the blade on the hockey stick. That 1.5 to 2 percent increase in warming after the turn of the century. What he failed to put on the chart was the medieval warming period, which was from about 1000 A.D. to 1350 A.D. During that time, nobody refutes the fact that temperatures were higher than they are in this century.

The other thing, if all else fails, use logic. In the 1940s, when we had the dramatic escalation of CO2 and methane and anthropogenic gases, this is what they are asserting causes global warming. And it precipitated a cooling period that started in the middle 1940s and went to the late 1970s. As we said an hour ago, the first page on the major publications around America, such as Time magazine, said we are now having an ice age coming. Everybody was hysterical. We are all going to die in an ice age. That is using the same logic that, if you are going to say you are going to add CO2 because of the burning of gas, in the late 1940s, we had an 85-percent increase in that, and that precipitated not a warming period but a cooling period.

So you can take this and pick it apart. I kind of think it is going to pass because we had a lot of people who voted against the real thing which would have caused all of the economic damages. Now it is very safe to cover your vote by voting for something so you can answer your mail and say: Yes, that is all right. I voted for the sense of the Senate, saying we are going to do these things and accept the fact that, No. 1, the planet is heating; No. 2, it is due to anthropogenic gases, and therefore, it is going to cost me.

That is happening now. We understand that. It was also brought out by the Senator from New Mexico that the economic impacts are not all that great when dealing with global warming. I suggest to you that it is very great. I cannot find a group that says they are not. Charles Rivers Associates. Sure, you can say the CRA is not a credible group. Nobody is going to say that because he is credible. They are saying the numbers look great when dealing with global warming. If you have enacted the watered-down version of McCain-Lieberman, it would have cost the economy $507 billion in 2020, $525 billion in 2025. Implementing Kyoto would cost—and we are talking about this in the resolution—$305 billion in 2010; $243 billion in 2020. It would result in an annual loss per household of $2,780 by 2010. That means, for every household of four people, the average it is going to cost them. Don't let anyone tell you that the economic impact is anything but disastrous. When the CRA international studied the job loss, it stated that under the watered-down version, we would lose 840,000 U.S. jobs in 2010; 1.3 million jobs in 2020; and implementing the Kyoto would mean job loss in the economy of 2.4 million jobs in 2010 and 1.7 million jobs in 2020. Energy prices—this is the economy we are talking about—would increase. There would be a 28-percent increase for gasoline, a 28-percent increase for electricity, and a 28-percent increase for gas, and it would be astronomical in terms of the cost of coal. These are the things that we turned around and wisely voted down in a meaningful bill. And I don't question the sincerity of McCain-Lieberman. They really believe in this. Nonetheless, cooler heads did prevail, and now we have a cover vote and people will come forth and say I am voting for this in spite of the fact that I voted against you before. I will turn around and vote for this as a sense of the Senate.
The PRESIDING OFFICER. Who yields time?
Mr. INHOFE. Mr. President, how much time is remaining?
The PRESIDING OFFICER. The Senator from Oklahoma has 9½ minutes.
Mr. INHOFE. I yield 3 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. INHOFE. Mr. President, I want to begin my brief statement by congratulating the managers of the bill for their good work in explaining the bill to this point. This is not a resolution I can support, but I acknowledge its good faith.

I point out that the resolution states, in the effective clause where it says what the sense of the Senate is, that we should “enact a comprehensive and effective national program of mandatory, market-based limits on emissions,” provided that—and subsection (1) says that “will not significantly harm the United States economy.” I read it and caught that word “significantly.” Evidently it is OK, under the resolution, to harm the American economy provided that it is not significant. I just wonder what the word “significant” means. Not significant may be if somebody else loses their job as a result of it. If I do not lose my job, it is not significant. I am wondering how much of GDP, how much of a loss of manufacturing jobs is significant. The estimates of the McCain-Lieberman amendment would be $27 billion annually as a direct cost. I wonder if that is significant.

High energy prices, which legislation of the kind envisioned by the resolution would cause, hurt the American economy. I do not want to do that. I do not want to vote for a resolution that presupposes it is OK to hurt the American economy. That is not the way to solve this problem.

I want us to start thinking not in terms of economic prosperity or environmental quality, I want us to think in terms of economic prosperity and environmental quality. It is not a question of more jobs or doing something about climate change. It is a question of more jobs and doing something about climate change.

Without prosperity, without growth, without the wealth that creates for the American people in their private lives, and also for the governments in this country—Federal, State, and local—we cannot defeat these environmental problems.

Most of them come down to a question of money. That is certainly the case in the State of Missouri. We have significant water quality issues. We need to do those problems. If we have funds, we have to have revenue; to have revenue, you have to have growth; and you are not going to have growth if you are passing resolutions saying it is OK to harm the American economy, providing it is not significant.

I know the sincerity of the Senator in offering this amendment and others who are going to vote for this, but I ask them to get out of this mindset: We can solve the global warming problem, but we will do it with prosperity, not without prosperity.

I thank the Senator from Oklahoma for yielding time.

Mr. ALEXANDER. I want to voice my support for the sense of the Senate resolution on climate change offered by Senators DOMENICI, BINGAMAN, and myself. I believe that there is a problem, I believe that global warming is coming. And I believe that there will be a mandatory national program to reduce carbon emissions sooner or later. I will be prepared to vote for controls on this when it is clear how they will be implemented. For now, I support the market-based incentives approach to reducing carbon emissions proposed by Senator HAGEL and passed by the Senate yesterday. I do not expect us to be able in this Congress to put together a mandatory carbon reduction program, but I do expect to be working in hearings as soon as next month on this important issue.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, how much time remains on our side?
The PRESIDING OFFICER. There is 5 minutes 15 seconds remaining.

Mr. BINGAMAN. I yield that to my colleague from New Mexico, Senator DOMENICI.
The PRESIDING OFFICER. The Senator from New Mexico, the chairman of the committee is recognized.

Mr. DOMENICI. Mr. President, first I remind everybody that 2 years ago the President of the United States gave a speech on this subject. It was a very lengthy speech, but there are two provisions, which I do not have in front of me—so forgive me, I am not quoting, I am just stating to the best of my recollection.

In the second part of the speech, which I want to mention, the President said that we should proceed to reduce carbon greenhouse gases by 18 percent through 2012 on a voluntary basis, and thereafter we should use incentives and other ways to accomplish further reduction.

First, I think that means the President of the United States is saying we should reduce carbon greenhouse gases. In fact, he, in a sense, is saying that is a good thing. In fact, he said recently he is going to do something. He thinks there is a way to do it, and I think the time has come for some of us to stop talking and start doing. And he thinks voluntary is doing it, and I think that Congress should enact a comprehensive and effective national program of mandatory, market-based limits. Then it says, “and incentives on emissions of greenhouse gases.” That do what? “... that should stop, and reduce enough of such emissions,” and then it says—these are the goals, the concerns—that it will not significantly harm the economy.

One could say you should not put “significantly” in there because is some OK? What does “significant” mean? I say it means what we want it to mean. It just says something. Should we put in “no more than one-half of 1 percent”? Then we would be putting in what can be done, “significantly” means to me something with which we can live and still have a very viable American growing economy but make some achievements in terms of diminution of carbon.

Then it says this will also encourage a comparable action by other nations that are trading partners of the United States. That is what we are trying to do.

Frankly, I know some will read more into this than is intended, and I understand. I am not critical of anybody. Everybody has views on this issue. I also hope those who understand what we voted on a little while ago—I spoke in opposition to it—I think I understand it as well as anybody. It received 38 votes. I did not vote for it.

Likewise, I am on this amendment because it is making a statement with reference to this issue. I, frankly, believe the time has come for some of us to take a statement regarding this issue, and I choose this one. Some others would say we want to be purely voluntary, and they could put in a sense of the Senate that we will remove as much carbon as we can, as soon as we can use all voluntary means, and that is a sense of a bill. I think the time has come for some of us to take a statement regarding this issue, and I choose this one.

So anybody who suggests there is nobody around who thinks this is a problem, why is the President saying we ought to reduce them if there is no problem? Are we just doing it because it is the flavor of the times? I don’t think so. I think the President is saying we ought to get on with doing it. He thinks there is a way to do it, and he thinks voluntary is doing it, and I do not argue with him.

As a matter of fact, I think anybody who tries to start capping in any way one chooses to call capping early is making a mistake because the United States of America is doing many things with many dollars on many fronts to reduce greenhouse gases.

The question is, Do we do anything if we are unsuccessful in achieving some resolution? I read what Senator BINGAMAN said and I think I may help Senator BINGAMAN with, it says there is a problem. It says we ought to do something to reduce the problem, and it is says precisely that “it is the sense of the Senate that Congress”—it does not even say when—that Congress should enact a comprehensive and effective national program of mandatory, market-based limits. Then it says, “and incentives on emissions of greenhouse gases.” That do what? “... that should stop, and reduce enough of such emissions,” and then it says—these are the goals, the concerns—that it will not significantly harm the economy.

One could say you should not put “significantly” in there because is some OK? What does “significant” mean? I say it means what we want it to mean. It just says something. Should we put in “no more than one-half of 1 percent”? Then we would be putting in what can be done, “significantly” means to me something with which we can live and still have a very viable American growing economy but make some achievements in terms of diminution of carbon.

Then it says this will also encourage a comparable action by other nations that are trading partners of the United States. That is what we are trying to do.

Frankly, I know some will read more into this than is intended, and I understand. I am not critical of anybody. Everybody has views on this issue. I also hope those who understand what we voted on a little while ago—I spoke in opposition to it—I think I understand it as well as anybody. It received 38 votes. I did not vote for it.

Likewise, I am on this amendment because it is making a statement with reference to this issue. I, frankly, believe the time has come for some of us to take a statement regarding this issue, and I choose this one. Some others would say we want to be purely voluntary, and they could put in a sense of the Senate that we will remove as much carbon as we can, as soon as we can use all voluntary means, and that is a sense of a bill. I think the time has come for some of us to take a statement regarding this issue, and I choose this one.
Mr. INHOFE. How much time remains?

The PRESIDING OFFICER. There is 2 minutes 38 seconds remaining.

Mr. INHOFE. Mr. President, this has been a good debate. I would like to have a 15-minute debate of 3 hours as we talked on the McCain-Lieberman amendment on this amendment because it should be essentially the same thing. As I said before, it is not.

In this brief time, I only repeat what the National Academy of Sciences stated in their written report—not in any kind of press release but their written report:

. . . there is considerable uncertainty in current understanding of how the climate system varies naturally and reacts to emissions of greenhouse gases and aerosols. . . . a causal linkage between the buildup of greenhouse gases and the observed climate changes in the 20th century cannot be unequivocally established.

The Global Summary for Policymakers could give an impression that the science of global warming is settled, even though many uncertainties still remain.

That is the National Academy of Sciences.

Lastly, we are not just if we adopt this resolution, which I think we will adopt because it is an easy vote for a lot of people and nobody is going to pay a lot of attention to a sense of the Senate, the fact is, we had 17,800 scientists in the Oregon petition who said:

There is no convincing scientific evidence that human release of carbon dioxide, methane, or other greenhouse gases is causing or will, in the foreseeable future, cause catastrophic heating of the Earth’s atmosphere and disruption of the Earth’s climate. Moreover, there is substantial scientific evidence that increases in atmospheric carbon dioxide produce many beneficial effects upon the natural plant and animal environment of the Earth.

If we adopt this amendment, we are saying that science that has been refuted is a reality.

The PRESIDING OFFICER. The Senator’s time has expired. All time has expired.

Mr. INHOFE. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCDONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted “nay.”

Mr. DURBIN. I announce that the Senator from North Dakota (Mr. DORGAN), and the Senator from North Dakota (Mr. DORGAN) are necessarily absent.

The result was announced — yeas 44, nays 53, as follows:

[Bell Call Vote No. 149 Leg.]

YEAS—44

Alfalfa
Alexander
Bayh
Biden
Bingaman
Boxer
Byrd
Caucus
Cornyn
Cruz
Crapo

Mr. DURBIN. I announce that following those votes, Senator WARNER be recognized in order to offer an amendment relating to OCS, with his part of the agreement subject to the approval of both leaders; further, that the Senator from New Jersey (Mr. LUTENBERG) and 15 minutes for Senator DOMENICI or his designee during the aforementioned debate.

Mr. REID. Reserving the right to object, I think this is just for the record, so there is no confusion. The reason we are concerned about the Warner amendment is we want to make sure that the Parliamentarian has a chance to look at the amendment prior to Senator Frist and I making a decision on whether it should come up tonight.

Mr. WARNER. Reserving the right to object, I want to be totally cooperative with the leadership, and they have been open and candid with me regarding the very strong opposition to the Warner amendment. I would advise my colleagues, whether we could get that parliamentary ruling is still not clear. So I will consider the following as a substitute to the provision relating to the Senator from Virginia; that is, that I be recognized to bring the amendment up, that at least one or two colleagues who are in opposition would then express their opposition and, following that, I will withdraw as there are one or two who will speak in opposition, to state the case, then I will ask to withdraw the amendment.

Mr. NELSON of Florida. Reserving the right to object, I wish to make sure that the Senator from New Jersey and I are protected because I am not quite sure what the distinguished Senator from Virginia has requested. Originally, it was the unanimous consent request regarding the very strong opposition to the Warner amendment. I would advise my colleagues, whether we could get that parliamentary ruling is still not clear. So I will consider the following as a substitute to the provision relating to the Senator from Virginia; that is, that I be recognized to bring the amendment up, that at least one or two colleagues who are in opposition would then express their opposition and, following that, I will withdraw as there are one or two who will speak in opposition, to state the case, then I will ask to withdraw the amendment.

Mr. NELSON of Florida. Reserving the right to object, I wish to make sure that the Senator from New Jersey and I are protected because I am not quite sure what the distinguished Senator from Virginia has requested. Originally, it was the unanimous consent request regarding the very strong opposition to the Warner amendment. I would advise my colleagues, whether we could get that parliamentary ruling is still not clear. So I will consider the following as a substitute to the provision relating to the Senator from Virginia; that is, that I be recognized to bring the amendment up, that at least one or two colleagues who are in opposition would then express their opposition and, following that, I will withdraw as there are one or two who will speak in opposition, to state the case, then I will ask to withdraw the amendment.
Mr. NELSON of Florida. And further questioning of the Democratic leader, I think Senator WARNER said two people, two Senators could speak.

Mr. REID. Two, you and me or you and Senator CORZINE.

Mr. NELSON of Florida. All right.

Mr. REID. And it is regardless of the Parliamentarian making a decision as to what he said.

Mr. CORZINE. Reserving the right to object, I would like to hear the last statement by the distinguished Senator from Nevada. Did you say that regardless of the Parliamentarian’s judgment, it will be withdrawn?

Mr. REID. He will withdraw the amendment.

Mr. CORZINE. Withdraw, precloture and postcloture?

Mr. REID. Senator NELSON does not play games.

The PRESIDING OFFICER. Is there objection? The Senator from Massachusetts?

Mr. KERRY. Is the vote up or down?

Mr. WARNER. Mr. President, would the Chair recite the request now as it relates to the section pertinent to the Senator from Virginia? I say to my colleagues, if you would be willing to each speak, I will take 5, 5 minutes each for the Senators from Florida and New Jersey in opposition, then I will move to strike the amendment.

Mr. DOMENICI. There is another Senator who wants to be recognized.

Mr. WARNER. All Senators who wanted to be recognized.

Mr. CORZINE. If I may be recognized, I would like to speak for 5 minutes in opposition.

Mr. WARNER. All right. That is sufficient.

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

Mr. KERRY. Reserving the right to object, I asked a question. Is the vote up or down?

Mr. REID. Votes in relation to your amendment. It could be some other motion, but we will get a vote on or in relation to your amendment.

The PRESIDING OFFICER. Is there objection to the unanimous consent request as modified by Senator WARNER?

Mr. CORZINE. Mr. President, I wish to say that I have nothing but the highest respect for the Senator from Virginia, and I fully appreciate that he is acting absolutely in good faith. I would like to hear what the unanimous consent is we are agreeing to so that once and for all, it is clear.

Mr. WARNER. Mr. President, I would also like 5 minutes for the distinguished Senator from Tennessee in favor of the amendment.

The PRESIDING OFFICER. With respect to the Warner amendment, there will be 5 minutes for Senator WARNER, 5 minutes for Senator ALEXANDER, 5 minutes for Senator NELSON, 5 minutes for Senator CORZINE, and 5 minutes for Senator MARTINEZ, after which he will withdraw the amendment.

Is there objection to the unanimous consent request?

Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair and Senator WARNER and all others who participated.

Mr. ALEXANDER. Mr. President, would you advise me when I have consumed 7 minutes?

The PRESIDING OFFICER. We will.

Mr. ALEXANDER. Do I understand I have 15 minutes?

The PRESIDING OFFICER. The Senator is correct. The Senator has 15 minutes.

AMENDMENT NO. 963

Mr. ALEXANDER. Mr. President, today I am offering an amendment to protect our most scenic areas from unintended impacts by oversized wind turbines or windmills. I offer an amendment that is sponsored also by a number of other Senators, including Senators MCCLAIN, ALLEN, VIENNOVICH, BROWNBACK, BYRD, and BUNNING, and that is also supported by the National Parks Conservation Association.

Let me begin by saying exactly what the amendment does and what it does not do.

No. 1, what the amendment says is no Federal subsidies for wind projects within 20 miles of most national parks, national military parks, national seashores, national lakeshores, or certain other highly scenic sites. We are talking about the Redwood National Parks in California, the Sequoia National Park, Yosemite National Park. We are talking about Mesa Verde in Colorado, Rocky Mountain National Park, Biscayne National Park in Florida, Yellowstone in Idaho, Acadia in Maine, Cape Cod in Massachusetts, Yellowstone in Montana, and Glacier. These are our national treasures. What we are talking about is the taxpayers will not subsidize the building of these giant windmills within the view of these parks.

Second, there will be an environmental impact statement for any wind project within 20 miles of those sites.

Third, any community will have six months’ notice before a wind project can be permitted.

Here is what the amendment does not do. It does not prohibit the building of any wind project. It does not affect any wind project already receiving subsidies. It does not give the Federal Energy Regulatory Commission any new authority. And it does not interfere with any private property right.

Why is this a concern? Here is the reason in a nutshell. The Federal Government, over the next 5 years, will spend $2 billion and, if we follow the recommendations of the Finance Committee, $3.5 billion subsidizing the building of giant windmills. These are not your grandmother’s windmills. They are very large. There is one picture of it. Here is another one. This is just off Denmark, stretches over 2 miles. Here is an example. These are people up here on this turbine housing. One way we think of them in Tennessee in describing them is that you can fit just one into the University of Tennessee football stadium. It is the third largest stadium in the country. It is more than three times as high as the skyscraper's, and its rotor blades would go from the 10-yard line to the 10-yard line.

My concern is not that there should not be any of them. I just don’t want what we are, through Federal policy, changing our landscape, and we need to think about it now while we still can. All of the estimates are that the billions of dollars in subsidies we are spending will increase the number of these gigantic wind turbines from 6,700 today to 40-, 50-, or 60,000 over the next 10 or 15 years.

Here is what the National Parks Conservation Association has to say: Wind power is an important alternative energy, I will be talking about the regulatory, and it deserves to be and promoted in areas where appropriate. At the same time, the principle that some of America’s most special places could be adversely impacted by associated development is important to acknowledge and address.

The Environmentally Responsible Wind Power Act of 2005 helps elevate the importance of this principle and ensures the protection of these places. What subsidies are we talking about? Twenty years ago, when I was Governor of Tennessee, we only had 29 of these massive, gigantic towers, and they are hard to take down.

Twenty years ago, when I was Governor of Tennessee, I passed a scenic parkway program. We took 10,000 miles of scenic parkways and we banned new billboards, new junkyards. No one thought much about it then. Everybody is enormously grateful today because these things will never come down unless they blow down, and when they blow down, not only do they blow down, and when they blow down, not only do they blow down, but people to pick them up. So if we fail to do something now, to put some sort of disincentive to damage the viewscape of our most scenic areas, we will never be able to change that. In the State of Tennessee, we only have 29 of these massive, gigantic towers, and they are there for 20 years, and you can see the red flashing lights from 20 miles away on a clear night.

Are there other times in our debate on energy, I will be talking about the relative value of wind power. I am a skeptic, I will admit. You could string a swath of these gigantic windmills from...
Los Angeles to San Francisco, and you would produce about the same amount of power that one or two powerplants would, and you would still need the powerplant because most people like to have their electricity even when the wind is not blowing and you can’t store the electricity. So I think the subsidy is a rotten deal but the amount of money that we are spending—$2 billion, $3 billion—is an enormous amount, and I think most colleagues are not aware of what we are doing with it. Once you put these windmills up, you have to build power lines through new neighborhoods and back yards to carry it to some distant place. That is a debate for another day.

The fact of the matter is that we are spending billions of new dollars for gigantic windmills. What I would like for us to do in the Senate is recognize our responsibility to the American landscape and say at least we are not going to subsidize putting these windmills in between us, our grandchildren, and children. I view the Yosemite National Park, the Statue of Liberty or the Smoky Mountain National Park or Cape Cod. I would think windmill advocates would want to do that.

This is a big country, a place where people can find plenty of places to put up gigantic windmills other than between us and our magnificent views. I don’t think I need to spend much time. I will take 1 more minute, and I will go to the Senator from Virginia for 3 minutes.

Teddy Roosevelt said:

There can be nothing in this world more beautiful than the Yosemite National Park’s groves of the sequoias and redwoods, the Canyon of the Colorado, the Canyon of the Yellowstone, and the Canyon of the Three Tetons.

We don’t drive down to the Smokies, out to the Tetons or to see the Grand Canyon to see a view like that. Put them where they belong. Let’s not subsidize them in between us and the most magnificent views we have.

Egypt has its pyramids, Italy has its art, England has its history, and we have the great American outdoors. It is a distinctive part of our national character, and we ought to protect it while we can.

That is why we have introduced this legislation, along with several other Senators who care. I hope my colleagues, whether they support wind power, will agree that we should not put these gigantic steel towers in between us and our most scenic treasures.

I yield 3 minutes to the Senator from Virginia.

Mr. WARNER. Mr. President, how much time does the Senator from Tennessee have?

The PRESIDING OFFICER. The Senator from Tennessee has 3 minutes 40 seconds.

Mr. WARNER. Mr. President, I commend my good friend. I have for a long time stated, indeed, before the Committee on the Environment and Public Works, my concern about the wind situation. I am not against it, nor is my distinguished colleague from Tennessee. But we are moving toward—and with a tremendous Federal subsidy—a program by which industry, looking at the subsidy, cannot turn down the opportunity to do whatever they want. I am concerned mostly about my shoreline of Virginia. This amendment would protect certain segments of that shoreline—from windmills being put in the proximity of the historic areas, marine areas, and the like.

If you look at how carefully America has proceeded toward the erection of power-generating facilities, whether it is coal-fired plants, gas-fired plants, wind, whatever it is, there is a very well-laid-out regulatory process. That doesn’t exist for the potential of putting windmills offshore. It doesn’t exist. I have tried hard to encourage the Congress of the United States to pass a regime comparable to what is taking place for other power-generating facilities to protect our environment, protect the taxpayer, and to enable wind to go forward but only where there is a clear justification and a protection of the environment. Now, they can go offshore under the Rivers and Harbors Act of 1899. They never envisioned, in 1899, the types of installations described by my colleague from Tennessee. There is nothing in there by which the States can gain any revenue for that wind offshore, as is now the case with oil and gas.

Should not my State, having taken the risk of allowing these things to go offshore, get some revenue? I think they should. Right now, it is free and open and, should they generate a profit, all of it goes into the corporate structure; not a nickel goes into the State. Mr. President, I thank my colleague for allowing me to join with him on this amendment.

The PRESIDING OFFICER. The Senator from Tennessee has 3 minutes 40 seconds.

Mr. ALEXANDER. I yield 2 minutes to the Senator from Kansas.

Mr. BROWNBACK. Mr. President, we have had a big debate about this in Kansas. We embrace wind power, wind generation. We will be a major benefactor and producer of wind energy. In the middle of the State, we have a belt, a great belt of tallgrass prairie that remains in Oklahoma. This is really a majority of the untouched, unplowed, tallgrass prairie that remains in the United States. Over 90 percent is in a swathe between Kansas and Oklahoma. What we are asking and are part of in this bill is that those areas that are protected within the Flint Hills Refuge, the Tallgrass Prairie Preserve, and the Konza Prairie be within the designation areas that don’t get the tax credits for the wind energy and the 20-mile radius around. That is responsible.

These are very key areas, and the impact on the viewscape around it is significant and important. That is why I am pleased to be part of and I support this amendment that my colleague from Tennessee has put forward. This is a responsible way to do it. We need to embrace wind power and generation but not in environmentally sensitive areas. This is a responsible way to do it. I am glad to support this amendment.

I yield the floor.

Mr. ALEXANDER. Mr. President, I ask the Senator from New Mexico if I may reserve my remaining time for just before the vote, and he also has a minute at that time. I ask unanimous consent to do that.

Mr. BINGAMAN. As I understand the request, the Senator would like us to go ahead with the argument in opposition.

Mr. ALEXANDER. Yes, and before the vote we would each have a minute. Mr. WARNER. Reserving the right to object. I think you would need 3 minutes for this.

The PRESIDING OFFICER. The Senator from Tennessee has the right to reserve that time.

Mr. WARNER. At least 3 minutes.

Mr. BINGAMAN. I am glad to agree to whatever unanimous consent the Senator from Tennessee believes is appropriate once we conclude our debate. The PRESIDING OFFICER. Would all Senators suspend to give us an opportunity to report the amendment.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. ALEXANDER, for himself], Mr. LANDRIEU, Mr. MCCAIN, Mr. ALLEN, Mr. VOINOVICH, Mr. BROWNBACK, Mr. BURR, and Mr. BUNNING, proposes an amendment numbered 961.

The amendment is as follows:

(Purpose: To provide for local control for the siting of windmills)

On page 697, between lines 6 and 7, insert the following:

SEC. 1270A. LOCAL CONTROL FOR SITING OF WINDMILLS.

(a) LOCAL NOTIFICATION PROCESS.—Prior to the Federal Energy Regulatory Commission issuing any wind turbine project its Exempt Wholesale Generator, Qualified Facility Rate Authority, or Qualified Facility rate schedule, the wind project shall complete its Local Notification Process.

(b) LOCAL NOTIFICATION PROCESS.—

(1) In this section, the term “Local Authorities” means the governing body, and the senior executive of the body, at the lowest level of government that possesses authority under State law to carry out this Act.

(2) Applicant shall notify in writing the Local Authorities on the day of the filing of such Market-Based Rate application or Federal Energy Regulatory Commission Form number 556 (or a successor form) at the Federal Energy Regulatory Commission. Evidence of such notification shall be submitted to the Federal Energy Regulatory Commission.

(3) The Federal Energy Regulatory Commission shall notify in writing the Local Authorities within 10 days of the filing of such Market-Based Rate application or Federal Energy Regulatory Commission Form number 556 (or a successor form) at the Federal Energy Regulatory Commission.
(4) The Federal Energy Regulatory Commission shall not issue to the project Market-Based Rate Authority, Exempt Wholesale Generator Status, or Qualified Facility rate schedule, until 180 days after the date on which the Federal Energy Regulatory Commission notifies the Local Authorities under paragraph (3).

(c) Highly Scenic Area and Federal Land.

(1) (A) A Highly Scenic Area is—

(i) any area listed as an official United Nations Educational, Scientific, and Cultural Organization World Heritage Site, as supported by the Department of the Interior, the National Park Service, and the International Council of Monuments and Sites;

(ii) land designated as a National Park;

(iii) a National Lakeshore;

(iv) a National Seashore;

(v) a National Wildlife Refuge that is adjacent to an ocean;

(vi) a National Military Park;

(vii) the Flint Hills National Wildlife Refuge;

(viii) the Tallgrass Prairie National Preserve;

(ix) White Mountains National Forest;

(x) the Flint Hills Tallgrass Prairie National Preserve or the Konza Prairie in the State of Kansas.

(B) The term “Highly Scenic Area” does not include—

(i) the Pueblo de Taos World Heritage Area;

(ii) any coastal wildlife refuge located in the State of Louisiana;

(iii) any area in the State of Alaska.

(2) A Qualified Wind Project is any wind-turbine project located—

(A) in a Highly Scenic Area; or

(B) within 20 miles of the boundary of a National Wildlife Refuge that is adjacent to an ocean.

(3) Prior to the Federal Energy Regulatory Commission issuing to a Qualified Wind Project its Exempt-Wholesale Generator Status, Market-Based Rate Authority, or Qualified Facility rate schedule, an environmental impact statement shall be conducted and completed by the lead agency in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). If no lead agency is designated, the lead agency shall be the Department of the Interior.

(4) The environmental impact statement determination shall be issued within 12 months of the date of application.

(5) Such environmental impact statement review shall include a cumulative impacts analysis addressing visual impacts and avian mortality analysis of a Qualified Wind Project.

(6) A Qualified Wind Project shall not be eligible for any Federal tax subsidy.

(d) EFFECTIVE DATE.

(1) This section shall expire 10 years after the date of enactment of this Act.

(2) Nothing in this section shall prevent or obstruct the development of wind power projects. How does it do that? It says that we are going to make it more and more difficult for people to proceed with development of wind power projects. How does it do that? It goes through and it says we are going to, first of all, designate what we call highly scenic areas. Highly scenic areas are fairly broadly defined; they are any area listed as an official United Nations educational, scientific, cultural, or heritage site, supported by the Department of the Interior, National Park Service, and International Council of Monuments and Sites. Any lands designated as a national park, national lakeshore, national seashore, national wildlife refuge, national military park, Flint Hills—it goes on and on. It says if you are a highly scenic area, then a so-called qualified wind project, which is any wind turbine project located in a highly scenic area or within 20 miles of the boundary of any of these things, I have listed here—then it says over here a qualified wind project shall not be eligible for any Federal tax subsidy. That essentially says there are not going to be wind power projects constructed in any of these locations. I think if we have ever had a proposal that is a one-size-fits-all proposal, this is that. There are a great many of these sites. I point out, also, by way of just a historical note, I think this is the first amendment that has been adopted, that the Congress has put in law a provision that essentially recognizes the significance of World Heritage sites designated by the United Nations. I remember debates on the floor in recent years where people objected to the whole notion that U.N. World Heritage sites were going to get some kind of special protection. In this amendment, we are saying they get special protection. We are not going to allow the construction of one of these wind turbines within 20 miles of them. To my mind, there are undoubtedly areas in this country where we don’t want windmills. I agree. But I think that needs to be a decision that is made on the basis of the local circumstances, on the basis of the geography of the area, and I think what we are trying to do here is sort of pass a very broad prohibition against getting tax benefits. If you want to build a site within 20 miles of those things, then you are out of luck, as far as any Federal tax support. I think that is contrary to the whole thrust of the legislation. I think it is contrary to good sense. In my own State of New Mexico, we have several sites that are listed. I have a list that the Senator from Tennessee has been kind enough to give me called, “Scenic Sites that Are Protected by this Legislation.” When you go down the list, in my State, you can see Carlsbad Caverns National Park. Well, I could conceive of the people in Carlsbad, NM, wanting a wind farm, a wind project within 20 miles of Carlsbad Caverns National Park. I can conceive of there being an area within that 20-mile radius that would be appropriately a wind site. I don’t know that that is the case, but I would hate to legislate a prohibition against it. The same with Chaco Culture National Historic Park and with Carlsbad Caverns National Park and the Pueblo de Taos, which has been exempted. I appreciate that.

The Senator from Tennessee—I mentioned to him there may be a desire on the part of people in the Taos area in my State to go ahead and have a wind power project. I need to keep a prohibition against that—a prohibition on any Federal tax support in that circumstance. Each Senator can look at the list and see whether they want to do this to their home State. I think if people will look at this list carefully and get on the telephone and call back to their States, they may find this is not something they wholeheartedly embrace.

The Senator from Idaho, Senator Craig, has asked for 5 minutes. I yield him 5 minutes.

The PRESIDING OFFICER. There are 8 minutes 30 seconds remaining.

Mr. BINGAMAN. I will yield 5 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 5 minutes.

Mr. CRAIG. Mr. President, I thank the Senator from New Mexico for yielding time.

I do not stand up and speak against the Senator from Tennessee and the work he has done in this area lightly. I understand the process. I also understand that energy infrastructure is always sensitive. It is never quite near to where you want it to be, and it is always where you do not want it to be.

The Senator from New Mexico has spoken very clearly on this issue. There will be no windmills built off Cape Cod. Why? Because it is being killed by the people of Massachusetts in the processes that are available now. There will be no windmills near Yelowstone or the Grand Canyon or in
background. We are doing all of these things, and we are asking our States to be partners. But here the heavy hand of Government—the Federal Government—comes in. I think it is inappropriate. I do not think it is necessary. I think the process is working quite well.

In a State such as mine where wind farms are being looked at now, our companies are approaching it very carefully and, in many instances—and it is nearly only Federal land on which you can get them sited—it is almost impossible to site on Federal land. Why? Because of the Environmental Policy Act, because of all the processes and safeguards we have already put in place. Therefore, I do believe this legislation is unnecessary. I think it is overkill.

I do not think we need to do it. We already have a very thorough, open, public process between our Federal Government as it relates to the National Environmental Policy Act, and State governments as it relates to their zoning requirements and/or the regulatory process they put sitting through, through the utilities commission. I think that is adequate and necessary.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CRAIG. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico has 3 minutes.

Mr. BINGAMAN. Mr. President, let me speak for 30 seconds, and then I will yield to my good friend from Iowa, Senator HARKIN.

I do think, as the Senator from Idaho pointed out, that this does raise a very substantial obstacle to the construction of wind projects in a great many areas of the country about which we are somewhat uncertain. As I say, in my State I can conceive of areas near these scenic locations that would be appropriate for consideration as wind projects. I do think there is ample opportunity for local communities to object. There is ample opportunity for States to object.

My experience is the burden is on the applicant to persuade all of the local government and all of the State government entities that have some claim on this.

The PRESIDING OFFICER. The Senator from New Mexico has 1½ minutes remaining.

Mr. BINGAMAN. Mr. President, I yield the remainder of my time to the Senator from Iowa.

Mr. HARKIN. Mr. President, how much time is left?

The PRESIDING OFFICER. There is 1 minute 28 seconds remaining.

Mr. HARKIN. Mr. President, I rise in opposition to the Alexander-Warner amendment. Again this amendment proposes to usurp local control. I find it hard to believe that those who argue States rights at the same time want to impose additional Federal regulations over local, county, and State jurisdictions.

This amendment is simply an assault on the continued development of wind energy. It singles out wind for additional scrutiny. If the sponsors are so concerned about protecting our scenic areas, shouldn't this amendment be applied to all technologies?

Some may say these turbines are unsightly. The Senator from Tennessee may believe they are unattractive. But many others believe them to be visually attractive as they drive down the highway.

I just recently drove through Oklahoma and saw all these wind turbines over the prairies of Oklahoma, and they look beautiful spinning in the wind with no pollution, providing electricity for our homes, our schools, and our factories. Yet they are unattractive? Come on, give me a break.

This is a pathway to our energy independence. More wind energy—we can put them up in Iowa. If the Senator from Virginia does not want them in Virginia, we will put them in Iowa. We will put them in North Dakota, South Dakota, and we will be glad to ship the electricity we are making from the force of the wind.

I urge my colleagues to turn down this ill-advised amendment.

The PRESIDING OFFICER (Mr. THUNE). The Senator from Tennessee has 2 minutes remaining.

Mr. ALEXANDER. Mr. President, I reserve the remainder of my time until just before the vote.

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

Mr. BINGAMAN. Mr. President, can we make a unanimous consent request that the Senator will have his 2 minutes now, and in addition to that, we will have 2 minutes equally divided before the vote?

The PRESIDING OFFICER. Is there objection?

Mr. ALEXANDER. I have no objection. Mr. President.

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

Mr. ALEXANDER. Mr. President, this gives me a chance to clear up a couple of points.

I say to my friend from New Mexico, the United Nations isn't picking any of these sites. We picked 20 of these sites in the United States that we recommended to the world be designated as heritage sites.

Here is what we are talking about. We are taking billions of tax dollars—that is a little for another amendment—billions of tax dollars, $200,000 per windmill. We should all resign the Senate and get in the windmill business. My friends on the other side say we are subsidizing the building of these windmills between us and the Grand Canyon, between us and Cape Cod, between us and the Smoky Mountains, between us and the Glacier National Park.

Ansel Adams and John Muir would be rolling in their graves if they were here today. I am providing an American landscape in this wholesale fashion. If we had a level playing field and we had no Federal Government involvement, that would
be another thing, but we are putting billions of dollars out there to do this. In the Eastern United States, they only fit in areas where there are scenic ridges. That is the Tennessee Gorge, the Shenandoah Valley, the foothills of the Great Smoky Mountains, and that would be for this. I would think every wind developer would say, of course, we are not going to put wind there.

It prohibits nothing. It interferes with no private property right. It just says we are not going to spend tax- payer dollars putting gigantic steel towers between us and our view of the Statue of Liberty and the Grand Can- yon. I would think that ought to be a vote of 100 to 0.

The PRESIDING OFFICER. The Sen- ator's time has expired.

Under the previous order, the Sen- ator from Massachusetts is recognized to call up an amendment where he is to be recognized for 30 minutes, equally divided, for 15 minutes each side.

AMENDMENT NO. 844
Mr. KERRY. Mr. President, I call up amendment No. 844.

The PRESIDING OFFICER. The Precognizer of the Senate.

The Precognizer of the Senate.

The amendment is as follows:

(Purpose: To express the sense of the Senate
that the continuous build-up of anthropogenic greenhouse gases in the atmosphere threatens the stability of the global climate;
(2) there are significant long-term risks to the economy, the environment, and the secu- rity of the United States from the temperature
increases and climatic disruptions that are projected to result from increased greenhouse gas concentrations;
(3) the United States, as the largest econ- omy in the world, is currently the largest greenhouse gas emitter;
(4) the greenhouse gas emissions of the United States are projected to continue to rise;
(5) the greenhouse gas emissions of devel- oping countries will rapidly change; and
(6) the greenhouse gas emissions of the United States and will soon surpass the greenhouse gas emissions of the United States and other developed coun- tries;
(7) reducing greenhouse gas emissions to the levels necessary to avoid serious cli- matic disruption requires the introduction of new energy technologies and other practices, the use of which results in low or no emis- sions of greenhouse gases or in the capture and storage of emissions;
(9) the Kyoto Protocol was entered into force in 1994 (referred to in this section as the “Convention”);
(11) the United States is a party to the United Nations Framework Convention on Climate Change adopted in May 1992, and en- tered into force in 1994 (referred to in this section as the “Convention”);
(12) the Convention sets a long-term objec- tive of stabilization of greenhouse gas concen- trations in the atmosphere at a level that would prevent dangerous anthropogenic interfer- ence with the climate system;
(13) the Convention establishes that parties bear common but differentiated responsibil- ities for efforts to address the objective of stabilization of greenhouse gas concentra- tions;
(14) the Kyoto Protocol was entered into force on February 16, 2005, but the United States is not, nor is likely to be, a party to the Protocol;
(15) the United States participation will begin discussion in 2005 about possible future agreements;
(16) an effective global effort to address cli- mate change must provide for commitments and action by all countries that are major emitters of greenhouse gases, whether de- veloped or developing, and the widely varying circumstances developed and de- veloping countries may require that such commitments and action vary; and
(17) the United States has the capability to lead the effort against global climate change.

The SENATE. It is the sense of the Senate that the United States should act to reduce the health, environmental, and economic risks posed by global climate change and foster sustained economic growth through a new generation of technolo- gies; and (D) achieve a significant long-term reduc- tion in greenhouse gas emissions; (B) enacting and implementing effective and comprehensive national policies to achieve significant long-term reductions in greenhouse gas emissions in the United States; and (C) establish flexible international mecha- nisms to minimize the cost of efforts by par- ticipating countries; and (D) achieve a significant long-term reduc- tion in greenhouse gas emissions;
I ask unanimous consent that this statement from the G8 science academies be printed in the RECORD.

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

CLEAR SCIENCE DEMANDS PROMPT ACTION ON CLIMATE CHANGE

The scientific evidence on climate change is now clear enough for the leaders of G8 to commit to take prompt action to reduce emissions of greenhouse gases, according to an announcement published Wednesday (Tuesday 7 June 2005) by the science academies of the G8 nations.

The statement is published by the Royal Society of the UK national academy of science—and the other G8 science academies of France, Russia, Germany, U.S. Japan, Italy and Canada, along with those of Brazil, China and India. It has been issued ahead of the G8 summit in Gleneagles, Scotland.

The statement calls on the G8 nations to: "Identify cost-effective steps that can be taken now to contribute to substantial and long-term reductions in net global greenhouse gas emissions." And to, "Recognize that delay will increase the risk of adverse environmental effects and will likely incur a greater cost."

Lord May of Oxford, President of the Royal Society, who co-authored the statement, said that working together, including the G8, can no longer use uncertainty about aspects of climate change as an excuse for not taking urgent action to cut greenhouse gas emissions.

"Significantly, along with the science academies of the G8 nations, this statement's signatories include Brazil, China and India, who are among the largest emitters of greenhouse gases in the developing world. It is clear that developed countries must lead the way in cutting emissions, but developing countries must also contribute to global efforts to achieve overall cuts in emissions. The scientific evidence forcefully points to a need for a truly international effort. Make no mistake we have to act now. And the longer we procrastinate, the more difficult the task of tackling climate change becomes."

Lord May continued: "The current U.S. policy on climate change is misguided. The Bush administration has consistently refused to accept the advice of the U.S. National Academy of Sciences. This NAS concluded in 1992 that, 'despite the great uncertainties, greenhouse warming is a potential threat sufficient to justify action now.' By reducing greenhouse gases, the U.S. can set an example of global leadership. Getting the U.S. onboard is critical because of the sheer amount of greenhouse gas emissions they are responsible for. For example, the Royal Academy of Sciences calculated that the 13 percent rise in greenhouse gas emissions from the U.S. between 1990 and 2002 is already bigger than the overall cut achieved if all the other G7 nations and the other Kyoto Protocol parties, except the U.S., had cut their emissions."

"The G8 summit is an unprecedented moment in human history. Our leaders face a stark choice—act now to tackle climate change, or face the price of their inaction. Never before have we faced such a global threat. And if we do not begin effective action now it will be much harder to stop the runaway train as it continues to gather momentum.

"The statement also warns that changes in climate are irreversible, that further changes are unavoidable and that, "nations must prepare for them." In particular it calls for the G8 countries to work with developing nations to develop their own innovative solutions to lessen and adapt to the adverse effects of climate change.

"Lord May said: 'We, the industrialized nations, have an obligation to help developing nations to develop their own solutions to the threats they face from climate change.'"

Mr. KERRY. I emphasize to my colleagues, this sense of the Senate is not about Kyoto. It is not asking us to get involved in Kyoto. In fact, the diplomatic issue is no longer Kyoto yes or no. The world understands that we need a binding protocol. Kyoto is limited in time and in participation. Many of us, myself included, objected to that flaw in Kyoto because it left out many nations. We need to see that Kyoto, however, as a foundation for global cooperation, with the principles of binding targets and emissions trading can serve as a blueprint for how to reduce those emissions. Other nations are ready to start a dialogue about the future.

Prime Minister Blair is capitalizing on his chairmanship of the G8 to press for broad cooperative action, but the United States alone stands silent and apart from this process. That has to stop. We cannot wait for Kyoto to expire in order to consider the next steps. We need to evaluate options now. We need to signal to the world that we are prepared to shoulder our fair share of the burden of dealing with this problem, and we are acting behind our words, accepting the principle of binding pollution reduction as a critical way of engaging the developing world.

A number of proposals have been put on the table, from a G8 program to promote renewable energy, to technology for development, to the framework convention. We do not suffer from a lack of ideas as to what to do. What we need is leadership, and the Senate has an opportunity to make a statement about that.

No climate change program is going to work without all of the nations of the world being involved, and no climate change program, obviously, that does not have their participation. Their emissions may be a fraction of what the developed world does now, but without action they are going to skyrocket and they would soon exceed the rest of the world's emissions, and we cannot suffer that.

I had the privilege of going to Rio 13 years ago—I guess it was to the Earth Summit in 1992—which was the world's first effort to try to craft a global response to the threat of climate change. It was at those talks that the American delegation ultimately embraced the U.N. Framework Convention on climate change. As we know, in that agreement many countries, 13 years ago we as a country recognized, under President George Herbert Walker Bush, that climate change is a global problem in need of a global solution. We defined a global goal. We set a path for future negotiations. It was a small step, but it was a first step and it was progress.

Regrettably, after that, going to the year 2000 when President Bush took office, he had any number of options in front of him. He could have used the bully pulpit to push for greater participation from the largest emitters in the world. He could have focused on targets beyond 2012. He could have reached out to less developed countries and offered technical assistance and technology. He might have pushed for a more robust trading program or greater technological transfer, but he took a decidedly different tack contrary to the science. He flatly rejected the active approach of the prior administration and in many ways found the incremental approach, voluntary approach, of his own father. Instead, in the months after taking office, the President questioned the underlying science. He broke a campaign promise to cap carbon emissions from power plants. He rebuked his EPA chief for positive comments about Kyoto. He proposed an energy plan that would increase pollution, and he withdrew from the protocol and the international process altogether.

If the Senate is prepared, as we just were, to embrace domestic efforts, at least in principle, we need to embrace the larger effort to reach out to the world and create a global approach so that all of us can avoid the potential downside of what scientists tell us is coming our way.

I reserve the remainder of my time.

The PRESIDING OFFICER. The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. Domenici. I yield such time as he may consume to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Mr. President, I will not take a great deal of time, but I want to visit this issue in the context that it has just been presented by our colleague from Massachusetts. First, I think it is awfully important to understand that there has been, as the Senator referenced as it relates to these National Academies of Science. On the surface, when
CONGRESSIONAL RECORD — SENATE

June 22, 2005

one reads that and sees that the G8 academies are all standing together, including ours, one would say, wow, that is a powerful statement. What I am terribly afraid has happened is that good academicians and scientists have in some way been co-opted and in this case, to my dismay.

Let me explain what I am talking about. It is terribly frustrating for me—and I trust it is for the Senator from Massachusetts—to see a group of scientists say one thing at one time and something else a little later.

After that statement came out, I asked Bruce Alberts, the president of our National Academy of Sciences, what was meant by this statement. In his reply to me, here is what he said:

The press release is not an accurate characterization of the eleven academies’ statement, and it is not an accurate characterization of our 1992 report. I have enclosed a copy of the letter that I sent yesterday to Dr. May, President of the Royal Society [who is pushing this initiative right now because, obviously, Prime Minister Blair is the chairman—I express my displeasure with their press release.

Here is what President May said in return to our own president of our own National Academy of Sciences:

We’ve read what you said and we’ve read what you’ve written and we’ve chosen to interpret it differently.

Stop and think about that. Are scientists at the National Academy of Sciences, who we rely on, who we think have done credible work and are advancing and building the science on climate change from the 1992 report to the path forward and beyond, recognizing there is an increase in temperature and saying there may be a direct relationship between that temperature rise and greenhouse gases? No, the collective academies jump to a different conclusion. And then the Royal Academy suggests that, well, we just do not interpret it the way you interpret your own work. It is one scientist saying how you know better what you have said than what you have said.

Here is exactly what Dr. Robert May, head of the Royal Academy, said:

Given the very clear recommendations that your 1992 report contains for reducing greenhouse gas emissions, I fail to see how you could make the accusation that our press release misrepresents its contents.

Already there is a fight within the academies. Why? Because it was such a unique time to advance the political cause of climate change.

But what is the reality? Getting back to 1990 levels. Great Britain isn’t there and can’t get there now, and they are having to ask for greater credits. Italy, in Buenos Aires this winter, told me that because they had shut down a nuclear reactor, they were no longer 3 percent toward compliance, they were 12 percent away. Japan, at the time they ratified Kyoto, I believe was like 5 percent or 6 percent away from meeting 1990 standards. Now they are 13 or 14 percent away. If you are growing the economy under current technology, you can’t get where you want to get.

It has been suggested that our President does nothing. Our President has done more to advance the cause of international cooperation than any President to date. We have just seen the Global Earth Observation System first in 1999 and another advancing in the United States generating international support to link thousands of individual technologies and assets together. There is a comprehensive global system coming together. That is nothing? Our Nation is spending $5 billion alone in all of the rest of the world combined on climate change, and we are sharing that technology with the world. That is nothing?

No, no, no, the record is quite different.

And the record is accurate. There is a great deal going on out there. There is about $11 billion tied to this bill that is all about clean. All of this clean technology we are about to advance and cause to happen is transparent and available and world have.

What is lacking in all of this? Why so much ado today about climate change? It is the politics that drive, not the science, and not the technology.

When we were in Buenos Aires, I actually had nations who have ratified come up to us and say: We know we cannot meet the standards. We know we cannot get to 1990. But if you could just be with us politically, it is so important.

I said: Why should we be for something that cannot get to? Why not join us in these cooperative efforts? Why not work with us in the new technology? Why do we have to have an international political statement to do something when we are already doing it?

That is what it is all about. I am not going to work at disputing any of the science. It is advancing, and we get to know a great deal more. The bill now attempting to be amended with a sense-of-the-Senate resolution is a bill that is the cleanest thing we have ever done for climate change. We advance more technology, we bring about much more science than ever before. And we share it with the rest of the world.

What has happened is quite simple: The great groundswell of politics that grew out of the original Buenos Aires that said to Kyoto, that tried to divide the world, failed. The environmental movement that first drove this failed. Why did they fall? Because they first said: World, turn your lights out. Third World, stay where you are. And the world collectively, nation by nation, has said: Can’t, there. Just can’t go there. We cannot deny our people a livelihood, opportunity, clean water, and pollution control. We cannot deny them management of their resources. We need energy. How do we get there? Got to be clean. And it is getting cleaner and cleaner and cleaner. Last year, we reduced our greenhouse gases by 2.3 percent. This year, it may be 3 or greater. We don’t know yet. We are saying to the rest of the world: Come with us. We will share with you our technology. We will do all the right things. We are developing bilaterals.

This administration has moved very rapidly and has been working with other nations of the world to take to them our technology, to share with them the cooperative nature and spirit that we enter into these kind of relationships. What is missing is the political will. I believe committed this country the way some would like, as the rest of the world went, as Russia finally was the final ratifier; and now they all turn and say: Well, we said it politically, but we cannot get there. What do we do now?

That is what the G8 is all about. That is what the debate is about. Let’s get on with the business of advancing clean air technologies. Let’s get on with the business of doing what we are doing. In this case, the political statements have limited us. I believe the work that is in this marvelous piece of energy legislation called this comprehensive act.

The PRESIDING OFFICER. The Senator from Massachusetts.

MR. KERRY. I yield myself 2 minutes.

Let me answer quickly that there is nothing at all in what the Senator just said that rebukes the process set forward in the sense-of-the-Senate effort. I believe the process is against us trying to find a fair and binding agreement. We are not talking about something unfair and unnecessary. I cannot imagine he would not want to advance and protect the economic interests of the United States, establish mediation agreements for those countries that are major emitters. With principles of common but differentiated responsibilities, this makes sense.

As a result to what he said about the National Academy of Sciences, I respectfully just plain flat disagree. They took a comment made by one group and sent it to the chairman whom he cited, who wrote back about that outside comment. That is not the comment made by the G8 themselves. Go to the Web site of the National Academy of Sciences tonight, and you will see the following statement on the Web site:

The United States National Academy of Sciences join ten other national science academies today in calling on world leaders, particularly those at the G8 countries meeting next month in Scotland, to acknowledge the threat of climate change as clear and increasing, to address its causes, and to prepare for its consequences.

That is the unequivocal clear finding of the National Academy of Sciences.

The fact is, the consensus hasn’t failed society’s environment. The charters that signed on to Kyoto have ratified it and are implementing it. Are they going to meet the goals? I admit they are not going to meet the goals—we all
to be able to control somehow on our health, the impact on our economy are profound. Inaction is not an option.

They are doing what they are doing based on their life career efforts. I think we ought to respect the consensus of all those scientists on a global basis.

Mr. President, I yield myself an additional minute.

Finance ministers, environmental ministers, prime ministers, foreign ministers—all of them together in all these cities have not put their political careers on the line and asked their countries to engage in something because it is a fool's errand. They have not suggested, as their scientists in all of those 100 nations plus, that there is scientifically a consensus for the sake of politics. It has risks, especially if it is found to be false.

I think we ought to listen carefully to what they have engaged in. I think most of our colleagues, indeed, are doing that.

Mr. President, I yield 4 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I say to my friend from Idaho, let me, as we lawyers say, argue in the alternative. He may be accurate, but it is irrelevant. He is making an argument that was inappropriate when we were debating Kyoto. We are not debating that. All my friends, I said Senator LAUTENBERRY and others—and Senator KERRY has been the leader on this issue—are saying is that there are some basic facts about global warming. It is real simple. The science is real. The effects are profound. Inaction is not an option.

We just finished passing, as my friend from Massachusetts said, a resolution, a sense of the Senate, saying domestically we have to take a look at this. That is a little bit like saying we can set up where the impact on our health, the impact on our economy, the impact on our future is going to be able to be controlled somehow just by what we do here—the idea we are not going to reach out, particularly in the context of the inability of nations to meet the standards they signed on to Kyoto. This gives us another chance to do what we should have done in the first place: try to negotiate instead of walking away, try to negotiate something that is real.

The resolution’s findings declare principles on which we can reach a broad, if not unanimous, agreement. There is no need to revisit the decision that was made at Kyoto. Whatever you make of that decision, it should have been the first step toward a new phase of international negotiations, not a repudiation of the notion of negotiations.

Let me conclude by saying one thing we know for sure: no agreement is going to work that does not include the United States. No agreement is going to work that does not include the United States, the largest current source; and the developing countries, China, India, Korea, Mexico, and Brazil, these countries will soon take over that dubious distinction.

Here is our chance to get back on the right side of history, and to put the Senate, with its constitutional power to ratify treaties, on record as favoring a serious effort under which the Framework Convention on Climate Change, signed by President Bush, can be negotiated.

This resolution does not prejudice the outcome of those negotiations. We have to be creative, we have to recognize the many different ways we can begin to make real progress, to actually reduce greenhouse gas emissions, with the goal of stabilizing the still-growing human impact on our climate.

Rather than try to attack every aspect of this huge issue at once, we must consider approaches that looked at the transportation, or the power sector, as areas where regional or other multilateral agreements could put a real dent in business as usual.

We are going to have to accelerate the discovery and deployment of new technologies, ramping up public investments in education and research, harnessing the creativity of private markets to bring new products on line.

I ask my colleagues, what side of history do we think we ought to respect the consensus of all those scientists on a global basis.

The most innovative American companies, the ones that operate in a competitive international environment, are leading with us to move our country into the future, to give them the certainty they need to make investments for the long term in technologies and products that reduce our dependence on fossil fuels.

The DuPont Company, from my own State of Delaware, is one of the best examples. By aggressively reducing their own greenhouse gas emission—by over 70 percent from 1990 levels—they have saved $2 billion in energy costs, added 5,000 American jobs, and shown the way for other companies.

But they still wait for our Government to provide the predictable international system in which their early actions can get credit, in which market mechanisms, such as emissions trading, can have the best effect, in which they will not be undercut by less responsible competitors.

DuPont, and General Electric, and many other major corporations, are putting themselves on the right side of history. We need to back them up, for the simple reason that we need American firms, and the jobs and products that they provide, to succeed in an increasingly competitive world.

Which side will we be on? Will we fear the future, or will we take charge of it?

This resolution puts us on the right side. It puts this Senate on record in favor of a constructive, responsible, fair, and effective approach to climate change in our international negotiations.

It is time for us to wake up to the realities of climate change to both the threat and the opportunity it presents. It is time for us return the United States to a leadership role in the international search for a solution to this international problem.

Our children are watching.

Mr. KERRY. Mr. President, I thank the Senator from Delaware and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. The Senator from New Mexico has 6 minutes 9 seconds; the Senator from Massachusetts has 1 minute 55 seconds.

Mr. DOMENICI. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMENICI. Mr. President, I have read through the 6-page document that the distinguished Senator from Massachusetts has submitted as his proposal before the Senate.

I was wondering, as I read through—if you skip the first few paragraphs, you can see a sentiment in your amendment that we shall do these things, work first by participating in intergovernmental negotiations under the convention with the objective of securing United States participation, et cetera, et cetera. What is the convention? It is the U.N. Framework Convention. It says here. It produced Kyoto. That is what it says here. So I just want to remind the Senate, the Senator is suggesting that we ought to go back and do something positive in global warming, the control of global warming gases.
Frankly, everybody here should know, if they did not, the Senator from New Mexico voted for the Bingaman amendment, which many on my side did not, because I believe we have a problem. I said that. I thought that at some point the Congress should address it. But I surely do not support this resolution which, in a sense, says now the Senate ought to be talking about going back into negotiations with the world under an architecture that has failed us. As a matter of fact, it yielded a very powerful what I would call pompous ceremonial proposal called Kyoto, which nobody is going to follow. As a matter of fact, it yielded a very big, powerful what I would call pompous ceremonial proposal called Kyoto, which nobody is going to follow that has any industrial capacity.

Now, maybe I should not say “nobody,” but very few nations. Most are trying to say: We would like to do it.

This Senate has said, 99 to 0, do not send us the treaty, Mr. President, because we are not going to do it. So I think the Senator—this is a good idea. It is a very excellent speech. His remarks are very admirable. But I do not believe we should today ask, through a sense of the Senate, that we go back to a convention architecture and enter into international agreements under its architecture, which yielded Kyoto, which I do not believe was very successful.

I do not think I want to debate it particularly. I have just seen charts as to what it would require of the United States, and we could never do it. How much the other proposals do that is far less, and we can hardly do those. But that is another case. Is Kyoto achievable? No. Did that convention architecture achieve anything significant? I do not think so. We had a great debate, talked a lot about some good things. Maybe some great scientists attended. But I do not think we really want to say it is the sense of the Senate that we should go back to that format. I hope we do not. As far as I am concerned, I will not vote for it.

I would like to say to my fellow Senators, you have all heard the Senator again for the ideas expressed and the goals. But I do not think we should do this as a sense of the Senate. I yield the floor and reserve whatever time I have.

The PRESIDING OFFICER. Who yields time?

Mr. KERRY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from New Mexico has 2 minutes 41 seconds. The Senator from Massachusetts has 53 seconds remaining.

Mr. DOMENICI. I say to the Senator, would you yield back your time if I yield back mine?

Mr. KERRY. I would like to take the 53 seconds.

Mr. DOMENICI. Mr. President, I will reserve 53 seconds.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, this is not about Kyoto. I voted against the Senate proceeding on the Kyoto agreement, as did other Members here, in a near unanimous agreement, as a matter of fact, because we thought it was flawed because it did not have other countries involved.

This is an effort to put the Senate on record that we believe the science—yes, we have to believe it and move forward internationally. We even create a Senate bipartisan observer group appointed by the leaders of both sides so that they can report to the Senate on the effectiveness and propriety of what is happening.

This is a bona fide effort to try to deal realistically with the problem. The Senate has used the language before. I hope my colleagues will embrace it.

I yield back whatever time I have.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me say to my fellow Senators, you have all heard in the last days whether you voted for it or not, the Bingaman sense of the Senate. It said the Senate recognizes greenhouse gases are a problem. There is a scientific consensus that it is a problem, that we ought to do something about it through incentives and/or mandatory caps. So we are on record on that. This is not just an amendment saying we should have a bipartisan congressional group to observe international participation in some agreements. It is much broader than that. It talks about a convention architecture with the world. I don’t know what else it could be other than the architecture that was established under Kyoto because that is what it refers to.

I don’t think we need to do that. I yield back time I might have. I guess we want the yeas and nays.

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

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Under the previous order, there are 30 minutes evenly divided between the Senator from New Mexico and the Senator from New Jersey. Who yields time?

The Senator from New Jersey.

AMENDMENT NO. 839

Mr. LAUTENBERG. Mr. President, I call up amendment No. 839. I offer this amendment to this bill to protect the integrity of government science and reestablish global climate change. The amendment is cosponsored by Senators Reid of Nevada, Lieberman, Jeffords, and Corzine.

We hear a lot of rhetoric these days by those who challenge climate change and the science that they supposedly use to back up their arguments. But the problem is that much of what they present is not science but, rather, fiction. And what we want to talk about tonight, as has been said many times, is the facts, just the facts, please.

When I see what is being presented to us, I want to show this placard. It is called “the Cooney Triangle.” It is an alliance between the American Petroleum Institute, the White House, and ExxonMobil. Cooney was used to be a lobbyist for the American Petroleum Institute. Put simply, his job at the White House was to cast doubt on the scientific evidence that our climate is changing.

In 2001, Mr. Cooney went to work at the White House’s Council on Environmental Quality. His mission at CEQ included editing reports by government scientists on global warming. And he tried to muddy the waters by interjecting uncertainty where, in fact, there is consensus.

About 2 weeks ago, Mr. Cooney left the White House to go to work for ExxonMobil, the most outspoken of all the oil companies in its rejection of the scientific evidence that global warming is occurring. I call this unholy alliance between API, the White House, and ExxonMobil the Cooney triangle.

What is happening is that this unholy alliance is threatening our country. Bouncing between API, the White House, and ExxonMobil the Cooney triangle is threatening our country. Bouncing from industry to government, back into industry—that is not new in Washington. We have had a revolving door policy for a long time. What is unprecedented is that industry lobbyists, such as Mr. Cooney, are no longer asked just to try to influence policy. Now they are given free rein to tamper with and distort the findings of professional scientists, including the National Academy of Sciences.

Mr. Cooney’s work is displayed in an article in the New York Times printed on June 8, 2005. It provides a graphic example of strikeouts and changes in the
wording of a report. While working at the White House, Mr. Cooney, who is not a scientist, edited out entire sections of U.S. reports on climate change. He didn't just alter the words; he altered the meaning of what government scientists had written. An example is included, obviously, in these revisions.

Mr. Cooney deleted an entire paragraph, taking out a description of global warming impacts widely accepted by scientists, calling it "speculative findings," to use his quotes.

In the next example, he adds a made-up sentence about the need for research to reduce the significant remaining uncertainties associated with human-induced climate change.

Contrast that heavy-handed editing with what scientists are saying about global warming. In January, Oxford University led a number of world-renowned universities in the largest climate change experiment ever conducted. The researchers found that the threat of climate change is clear and increasing, to address its causes, and to prepare for its consequences.

There is a statement here from the National Academy of Sciences issued just 2 weeks ago. They say:

"The U.S. National Academy of Sciences joined 10 other national science academies today in calling on world leaders, particularly those of the G8 countries meeting the next month in Scotland, to acknowledge that the threat of climate change is clear and increasing, to address its causes, and to prepare for its consequences."

The date is June 7, 2005, not a month ago, put out by the National Academy of Sciences, a fairly respected group.

When taxpayers pay for objective scientific studies, they don't want the findings altered. We expect scientists to go where the facts lead them, not to follow predetermined ideologies. Yet the administration has an alarming tendency to disregard or even distort scientific research. We have seen it in these reports. Nowhere is this more evident than when it comes to global warming.

The front-page headline in USA Today last week said it all: "The Debate is Over. The Globe is Warming." Our planet is warming up. It is being globally covered ice mountains into pools and their character, going from glacially bare to watered areas bare of any evidence of winter. There is a warming taking place. The government science should be insulated from politics. Nobel laureates, former Federal agency directors, and university presidents have all called for legislative action to restore scientific integrity to Federal policymaking. It is time to smash the Cooney triangle. It is time to demand greater transparency and democracy, on all scientific reports on our planet's climate.

As Russell Train, who served as EPA Administrator under Presidents Nixon and Ford, put it, the American people lies in having full disclosure of the facts.

Under my amendment, if the administration wants to fly in the face of peer-reviewed science, it can still do it. But when the administration publishes a bogus report on global warming, my amendment will make it easier for the American people to separate science from fiction.

Mr. President, it is fairly obvious, by all kinds of physical evidence, that there is a warming taking place. If we see what happens in Antarctica or in the Arctic, and we see places changing their character, going from glacially covered ice mountains into pools and their character, going from glacially bare to watered areas bare of any evidence of winter, the facts are there. They cannot be refuted. Yes, they can be altered. But we just want to know when the facts are changed. When the information is distorted in any way, we say, OK, you want to change it, but let the public know what the change is you are making.

I yield the floor, and I ask, how much time is left?

The PRESIDING OFFICER. Mr. New Jersey has 5 minutes 9 seconds remaining.

Mr. LAUTENBERG. I thank the Chair.

The PRESIDING OFFICER. Who yields time? The Senator from New Mexico.

Mr. DOMENICI. As I understand it--did the Senator use all his time?

The PRESIDING OFFICER. The Senator has 5 minutes 9 seconds remaining.

Mr. DOMENICI. I ask the Senator from New Mexico, would he be disposed to yielding back his time if this Senator would yield all of my time now?

Mr. LAUTENBERG. If the Senator from New Mexico would want to yield time, I am happy to yield the remaining time that I have.

Mr. DOMENICI. I yield back whatever time we have on our side. I ask the question so I understand carefully. The Senator did not ask for any consent that we take any action. He just delivered a speech. I didn't miss anything by way of a reading.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. I yield back my time.

Mr. LAUTENBERG. We yield back our time.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 96

Mr. HARKIN. Mr. President, I understand there is a parliamentary situation that I have 1 minute, and I guess Senator ALEXANDER has 1 minute on the Alexander-Warner amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Mr. President, I just ask one question. Why single out wind power? I ask my friends from Tennessee and Virginia, why not apply it to coal, coal-fired plants? Why not apply it to oil or gas? Maybe some people don't like seeing a smokestack out there on the horizon. Maybe people don't like to see the cooling towers of nuclear plants. Why not apply it to everything?

It seems to me some people are ready to drill in a wildlife area but not put a windmill within 20 miles. Why not apply it to transmission lines? We see big power transmission lines going along scenic areas, scenic vistas or vistas. Why not apply it to transmission lines?

Clearly, this amendment is aimed at wind power. I don't know why, but it is. I just say to restrict the development of the largest nonhydro renewable resource takes us in the wrong direction. So I ask my colleagues to please oppose the Alexander-Warner amendment and get on with building the windmills in Iowa, South Dakota, North Dakota, Minnesota, and all of the places that will give us clean renewable energy.

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

The Senator from Tennessee is recognized.

Mr. ALEXANDER. The answer to the Senator is the reason we are doing this is that he is advocating a national windmill policy instead of a national energy policy, which has spent billions on windmills. We ought not subsidize the destruction of our national treasures, such as the Grand Canyon, the Great Smokies, and we ought to tell people that.

This bill doesn't prohibit the building of any wind project, affect anything already going on, or give FERC any new
authority. The reason Senators Alexander, Warner, Landrieu, McCain, Allen, Voinovich, Brownback, Burr, and Bunning all support it is because it says and the National Parks Conservation Association says no subsidies to destroy our views of our national treasures and more local controls.

Please vote yes.
I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the amendment. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "nay."

Mr. DURBIN. I announce that the Senator from North Dakota (Mr. CONRAD), the Senator from Minnesota (Mr. DAYTON), the Senator from North Dakota (Mr. DORGAN), and the Senator from Vermont (Mr. JEFFORDS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 32, nays 63, as follows:

[Rollcall Vote No. 150 Leg.]

YEAS—32
Alexander
Allen
Brownback
Bunning
Burns
Cochenour
Cornyn
DeMint
DeWine
Domenici

NAYS—63
Akaka
Allard
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Byrd
Cantwell
Chafee
Chambliss
Clintons
Craig
Crapo
Dodd

NOT VOTING—5
Coleman
Conrad
Dorgan

The amendment (No. 844) was rejected.

Mr. CRAIG. I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 844

The question is on the amendment by the Senator from Massachusetts, Mr. KERRY.

The amendment by Mr. DOMENICI. I yield to the majority leader.

The PRESIDING OFFICER. The majority leader.

Mr. FRIST. Mr. President, for the information of our colleagues, the next vote will be the last vote of tonight. In fact, the next vote will be the last vote before the cloture vote tomorrow morning. The Democratic leader and I have not talked specifically about times, but we will probably come back in at 9 o'clock tomorrow morning and have the cloture vote at 10 o'clock.

As all of you know, the postcloture amendments will be germaine amendments. Right now, the Parliamentarian is going through about 170 amendments to see what is germane and what is not. We make a request to our colleagues to talk to the managers tonight or very early on tomorrow about which amendments you feel strongly about offering.

People have asked about the schedule. We have really all day tomorrow. We will go into Friday on the bill, but if people really focus on it tonight and in the morning, we have a good shot at completing this bill tomorrow afternoon or tomorrow evening. Again, it is going to take everybody coming together and sorting through the amendments.

But this will be the last vote tonight, and the next vote will be the cloture vote at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Minnesota (Mr. COLEMAN).

Further, if present and voting, the Senator from Minnesota (Mr. COLEMAN) would have voted "nay."

Mr. DURBIN. I announce that the Senator from North Dakota (Mr. CONRAD), the Senator from Minnesota (Mr. DAYTON), the Senator from North Dakota (Mr. DORGAN), and the Senator from Vermont (Mr. JEFFORDS) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 46, as follows:

[Rollcall Vote No. 151 Leg.]

YEAS—46
Alexander
Allen
Baucus
Bayh
Bennett
Bingaman
Boxer
Byrd
Cantwell
Chafee
Clintons
Craig
Crapo
Dodd

Lincoln
McCaig
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Obama
Reed
Rockefeller
Salazar

NOT VOTING—5
Dorgan

The amendment (No. 844) was rejected.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. MCCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. I ask the Chair to advise the Chamber as to the pending business.

The PRESIDING OFFICER. The pending amendment is amendment No. 811, offered by the Senator from New York, Mr. SCHUMER.

Mr. WARNER. Mr. President, it is my understanding that there was a unanimous consent put into order that following the votes, the Senator from Virginia would be recognized for a period of time, together with the Senator from Tennessee, the Senator from Florida, and the Senator from New Jersey, for the purpose of an amendment, which I understood was in order.

The PRESIDING OFFICER. The Senator has the right to proceed at this time.

Mr. WARNER. Is that under the unanimous consent, or is it that I just got the floor?

The PRESIDING OFFICER. Under the agreement.

Mr. WARNER. It is my understanding that the Presiding Officer stated incorrectly with regard to the Senator from New York, is that correct?

The PRESIDING OFFICER. The amendment of the Senator from New York is the pending business. But there is a unanimous consent order to allow the Senator from Virginia to go forth at this point.

Mr. WARNER. All right. I further inquire, is it appropriate for the Senator from Virginia to ask unanimous consent that the pending amendment be set aside so that I can proceed.

The PRESIDING OFFICER. The Chair notes that is not necessary at this point.
Mr. WARNER. I thank the Chair. This is somewhat unusual. We will proceed as directed by the Chair.

Mr. President, I first ask that the amendment at the desk be modified. The PRESIDING OFFICER. Is there objection?

Mr. NELSON of Florida. Reserving the right to object, if the distinguished Senator from Virginia would please inform the Senate what is the modification.

Mr. WARNER. Mr. President, I modified it in such a way as to comport with the UC, whereby after I present the amendment, it can be withdrawn. That is the essence of it.

Mr. NELSON. I thank the Senator. (The amendment No. 972, printed in today's Record under "Text of amendments.")

Mr. WARNER. As I understand it, the Senator from Virginia has 5 minutes, the Senator from Tennessee has 5 minutes, and my colleagues in opposition have 5 minutes each.

First, I thank my colleagues for allowing me to proceed. There is a very strong sentiment on both sides of the aisle to this amendment. I say to my colleagues that this amendment is important to have as part of the legislative history of this Energy bill—a bill that America has been waiting for for a very long period of time. Had I pressed on with certain parliamentary maneuvers, it could well have resulted in a filibuster. I have been here 27 years, and I think I have some understanding as to how to count votes and what is in the best interest of this Chamber. I did not want to precipitate that kind of parliamentary situation, particularly after the hard work of Senators DOMENICI and BINGAMAN and the leadership on both sides. But it is important.

It is that this amendment reflects that there is a need in America to recognize that the potential for the offshore energy, be it gas or oil, is enormous, and that we as a nation must conscientiously put politics to one side and look at this, in the event that the energy crisis gets any worse for this country. We have no other recourse of any significant energy other than to go offshore. The distinguished Senator from Louisiana, in the course of this bill, will put on an amendment which recognizes, I think quite properly, that the States which have permitted offshore drilling and which are now producing essential energy for the U.S. be given a share of the revenue. It has my strongest support.

The amendment provides for the future, if other States so desire, to permit offshore drilling. They also can participate in the distribution of the proceeds from the oil and gas. It is entirely discretionary with the States. This amendment is designed to force no burden on other States. If a State wishes to take those risks associated with drilling and the citizens accept that, and the legislatures accept it, then they should be entitled to the proceeds, or a portion of them.

In my State—and I am proud of it—the general assembly, this year, passed legislation urging that our State, through its Governor, begin to explore the possibility of acquiring the offshore drilling rights in a limited fashion. The Governor, for reasons that he explained—and I do not say this by way of criticism—vetoed that. But I felt it important for the Senator from Virginia to stand and advise the Senate of the necessity to put into law the right to offshore drilling in those States the option of deciding for themselves to do offshore drilling.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. WARNER. I yield 5 minutes to my distinguished colleague from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. ALLEN. Mr. President, I thank the Senator from Virginia. I am glad we have had this opportunity to discuss this issue tonight. I believe, if we had an opportunity to come to a vote, we would likely have a majority vote, more than a majority, on the idea of giving more individual States the right to drill for natural gas offshore, the same right that four States already have.

Why would we do that? It is because it is the single most important thing that this Energy bill, Congress is considering, that as it has been developed, can do for the American people is to lower the price of natural gas.

We talk a lot about gasoline at the pump, but by far the bigger problem for millions of American blue-collar workers, for millions of American farmers, and for millions of American homeowners is the high price of natural gas. To lower the price of natural gas, we have a number of provisions in our legislation.

One is conservation. We have very strong conservation. One is make electricity in new and different ways. We would like to encourage coal gasification and carbon sequestration, but that is a few more years away. We would like to encourage coal gasification and carbon sequestration, but that is a few more years away. We would like to bring in more natural gas from overseas, but that leads us down the same road on natural gas as on oil.

Part of our solution is to increase our supply at home, and we have a lot of it. But here is the price. If we think American jobs are going to stay in America, we would have a State income tax. And some States will have. Florida may want to do it, but I persuade there will be some, as Virginia or South Carolina or North Carolina, the option of deciding for itself that out on the water, where it cannot be seen, it brings in this resource and use it instead of raising taxes. I think that is an option a lot of Governors and legislatures are going to want.

We are contributing to the debate and moving in the right direction. Florida may want to not do it, but I personally believe it is a good way to do it, in my opinion. Florida may want to not do it, but I personally believe it is a good way to do it.

Mr. President, I ask unanimous consent to print in the Record a listing of companies and associations supporting the amendment, which are the States--I think a good way and it would be before this legislation, and what the Senator from Virginia has said, is let them do it.

That would mean the Governor of Virginia could put a gas rig more than 20 miles out to sea. One gas rig would equal 46 square miles of these windmills that everybody seems to love. One gas rig, that you could not, out to sea would bring you enough revenue to create in Virginia a terrific reserve fund for the university system and to lower the taxes, and it would bring to us in the United States a supply of gas to lower the price of natural gas so the workers at Tennessee Eastman can work in Kingsport, instead of flying to Germany to go to work, which is what they will have to do, and the farmers will not have to be taking a pay cut, and the homeowners can afford to pay their bills.

So we need to have, as part of our solution, an increased supply of natural gas. I believe there are 51 votes in this Chamber for that. We cannot get to a vote tonight, but I think we have made good progress. A year ago, we could not even get this body to agree to take an inventory of the natural gas we have offshore, and we have lots of it. This year we passed that inventory. A year ago, nobody would even speak about the idea of doing so. Now, States such as Virginia or South Carolina or North Carolina, the option of deciding for itself that out on the water, where it cannot be seen, it brings in this resource and use it instead of raising taxes. I think that is an option a lot of Governors and legislatures are going to want.

We are contributing to the debate and moving in the right direction. Florida may want to not do it, but I personally believe it is a good way to do it, in my opinion. Florida may want to not do it, but I personally believe it is a good way to do it.
Mr. MARTINEZ. Mr. President, I rise to speak to what the Senator from Florida has to say. I want to speak to what the Senator from Florida is saying.

I have not been able to get an updated photograph, but that is a photograph of a man standing in the Senate. I wish to speak again to a position that seems to continue to come up in this bill. Let me say, first, that I do respect the wishes of the Senate from Virginia about what they might do in the State of Virginia. I wish there were a simple way that we could simply say: Fine, drill in Virginia if you will, but do not do so in Florida. There just has not been a way for that to be done. As my senior colleague, the Senator from Florida, has just pointed out, that would allow us to draw these seaward boundary lines in a way that would also protect the State of Florida. If we cannot talk about the area in the northwest part of our State around the area of Pensacola.

There is no question that the drilling that we discussed as such a benign event in fact is not because in this particular bill, part of the effort is going to be to allow the State of Louisiana and other coastal States, about five of them that are currently drilling, to benefit more fully in the royalties from the product that is being drawn from the coastal areas. The fact is, they need that money to correct the environmental damage to their coastline. That is the slippery slope down which we in Florida do not want to go.

If we were totally benign, the people of Florida would be clamoring for assistance to rebuild their coast from all the damage and the trafficking and all of the things that go on with coastal offshore production.

In addition to that, I know the Senator from Tennessee that is passionate. I say, I wish there were a mechanism that has been that the coastal States to be set by the Department which talks about the establishment of the natural resource off our coast called “restricted airspace.”

I wish to speak to what the Senator from Virginia is saying about the particular line set by a Law of the Sea Treaty and the establishment of seaward lateral boundaries for coastal States to be set by the Department of Interior according to a guideline set by a Law of the Sea Treaty which was never ratified by the United States.

I want to give an example of what that line looks like for the coast of Florida. Here is Texas, Louisiana, Mississippi, Alabama, and here is the Alabama-Florida line on a latitude. But under that Law of the Sea Treaty that was never ratified by the U.S. Government, where would that line go for the State of Louisiana? It would come out here off the coast of Florida. That is what we are trying to protect against.

That is a major flaw of this amendment. This is what we have in Florida. I have not been able to get an updated photograph, but that is a photograph from Alaska.

There is a similar photograph that has not been processed in the photography room of what has just happened off the coast of Louisiana. That could happen right there to what is so precious in our State of Florida. I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MARTINEZ. Mr. President, I rise to speak in opposition as well. I again join with my colleague from Florida. I wish to speak again to a position that seems to continue to come up in this bill. Let me say, first, that I do respect the wishes of the Senate from Virginia about what they might do in the State of Virginia. I wish there were a simple way that we could simply say: Fine, drill in Virginia if you will, but do not do so in Florida. There just has not been a way for that to be done. As my senior colleague, the Senator from Florida, has just pointed out, that would allow us to draw these seaward boundary lines in a way that would also protect the State of Florida. If we cannot talk about the area in the northwest part of our State around the area of Pensacola.

There is no question that the drilling that we discussed as such a benign event in fact is not because in this particular bill, part of the effort is going to be to allow the State of Louisiana and other coastal States, about five of them that are currently drilling, to benefit more fully in the royalties from the product that is being drawn from the coastal areas. The fact is, they need that money to correct the environmental damage to their coastline. That is the slippery slope down which we in Florida do not want to go.

If we were totally benign, the people of Florida would be clamoring for assistance to rebuild their coast from all the damage and the trafficking and all of the things that go on with coastal offshore production.

In addition to that, I know the Senator from Tennessee that is passionate. I say, I wish there were a mechanism that has been that the coastal States to be set by the Department which talks about the establishment of the natural resource off our coast called “restricted airspace.”

I wish to speak to what the Senator from Virginia is saying about the particular line set by a Law of the Sea Treaty and the establishment of seaward lateral boundaries for coastal States to be set by the Department of Interior according to a guideline set by a Law of the Sea Treaty which was never ratified by the United States.

I want to give an example of what that line looks like for the coast of Florida. Here is Texas, Louisiana, Mississippi, Alabama, and here is the Alabama-Florida line on a latitude. But under that Law of the Sea Treaty that was never ratified by the U.S. Government, where would that line go for the State of Louisiana? It would come out here off the coast of Florida. That is what we are trying to protect against.

That is a major flaw of this amendment. This is what we have in Florida. I have not been able to get an updated photograph, but that is a photograph from Alaska.

There is a similar photograph that has not been processed in the photography room of what has just happened off the coast of Louisiana. That could happen right there to what is so precious in our State of Florida. I yield the floor.
while at the same time in no way tampering with Florida, that would be just fine. The language in this bill simply does not do that. What it does is open a door for the northwest coast of Florida to be threatened with coastal drilling.

I see the Senator from New Jersey is about to speak. I thank him for his participation with us in our endeavors to keep our coastlines clear of drilling. I know the Senator shares many of the same sentiments where so many of the people are committed to keeping those coastlines free of drilling so that tourists can continue to come and enjoy the beaches of New Jersey as they do the beaches of Florida.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. Mr. President, I rise to speak against this amendment and the direction this amendment would take. I have very high respect and admire the courtesy the distinguished Senator from Virginia and others have provided so that we could have this debate. I believe it is truly one of those fundamental decisions that we need to have with regard to both energy independence and how we look holistically at our economies and how our people will be able to continue to maintain their way of life, their quality of life, in its broadest context. This really gets at the heart of what is better as it relates to the people of New Jersey.

I actually believe, for folks up and down our coastlines and a lot of different areas, I could go through the 127 miles of coastline, the $31 billion of GNP we have in the State, the 800,000 jobs in the tourism industry. That is very focused in the State of New Jersey. But the reality is that we have made other choices with regard to energy independence that I think and many think could attack that need that the distinguished Senator from Virginia so ably talked about, that we need to protect America's role and its ability to have that independence.

We have said we do not think changing mileage standards, we do not think developing even stronger efficiency standards, is the way we are going to go because we have cost-benefit trade-offs. Now, I do not agree with those cost-benefit trade-offs, but they were implicit in the language and the goals we have taken in writing this bill.

Those of us who are so dependent, as I tried to outline and my distinguished colleagues from Florida talked about in their economy, many of us are very dependent in our own economy on the kinds of things that could be threatened with regard to the kind of action we take. We had to make some trade-offs. We made judgments and some choices about whether it was better to put at risk something that is incredibly valuable for the economy but the environment and the quality of life of the people who live in these communities, or do we say that we will protect those and take other choices that will produce the energy independence that we have? From our perspective in New Jersey, I believe this is a bad cost-benefit analysis. I can understand how someone can make that argument. It is one of my colleagues 336,000 folks dependent on the tourism industry, I cannot make that argument.

There is another argument being made about States rights. That is probably too simple a way, but leave it to the legislators of one State or another. I look at these planning areas—and I do not know much about oceanography and how the tides move and the sea moves, but there is a reason that we have planning areas, the mid-Atlantic, the South Atlantic, and we did not do that. What it does is open a door for the northwest coast of Florida, that would be just fine. I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. I ask unanimous consent 2 minutes be given to our distinguished colleague from Louisiana.

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

Ms. LANDRIEU. I ask unanimous consent for a moment.

Mr. WARNER. Mr. President, I ask unanimous consent 2 minutes be given to our distinguished colleague from Virginia.

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

Ms. LANDRIEU. I thank the Senator from Virginia for bringing this debate to the Senate floor. It is a healthy one, and I look forward to working with him in the future, hopefully in a positive way, on our energy dependence.

Mr. WARNER. How much time remains on my time?

The PRESIDING OFFICER. The Senator from Virginia has 1 minute 37 seconds.

Mr. WARNER. The opposition?

The PRESIDING OFFICER. Senator Nelson has 25 seconds, and Senator Martinez, 1 minute 14 seconds.

Mr. WARNER. Mr. President, I wind up the presentation by saying—and I will yield nothing but danger signs with regard to the worldwide energy consumption and the predicament the United States of America faces, particularly with the growing consumption of energy by China and India and other nations. It will impact our long-term future.

To my colleagues in Florida, show us how to fix our bill to protect your State fully. It can be done. That is what we do all the time, craft legislation. How do you explain how four States have already been doing this for many years—Mississippi, Louisiana, and those four States offshore—without any great disaster.

I predict the Halls of this Chamber will reverberate with the debate—maybe next year or the year after—and this subject will be brought back again when a solid realization will come to this Senate we have no place to go as a nation to protect ourselves and our energy needs but of other places. Pretending this will go away, pretending the prices will come down, is jeopardizing the economic vitality of...
Mr. BINGAMAN. As the Senator from Wisconsin knows, I see ring fencing as an important issue and think that we should push FERC to protect small businesses and consumers from these abusive practices. The underlying bill, however, contains strong new authority for the Federal Energy Regulatory Commission to oversee mergers of public utilities. Congress directs FERC to use this new authority to assure that mergers are conducted appropriately and that consumers are protected from Enron-style abuses. We also direct FERC to use its existing authority to prevent cross-subsidizing, or shift costs from affiliate, associate, or subsidiary companies to the public utilities.

Mr. FEINGOLD. Mr. President, the Feingold-Brownback amendment adds a new section to the Federal Power Act to give FERC new power to regulate transactions between public utility companies and their affiliate and associate companies. The amendment also requires FERC to issue regulations that require affiliate, associate, and subsidiary companies to be independent, separate, and distinct entities from public utilities; maintain separation from associated entities; and prevent cross-subsidizing, or shifting costs from affiliate, associate, or subsidiary companies to the public utilities.

Mr. FEINGOLD. I am pleased that language in the underlying amendment includes more merger oversight authority for FERC, it includes anti-market manipulation language, and it allows FERC to look at the books. My concern is that if there are not standards about keeping the entities separate, FERC’s authority will not be enough to prevent abuses. I am also concerned that State commissions, public service commissions, and others are not able to take care of these kinds of problems because they do not have the authority to regulate these multi-State entities. That’s why small businesses and consumers need increased Federal protection, especially given that this bill repeals the Public Utility Holding Company Act.

Mr. DOMENICI. Let me assure the Senators from Wisconsin and Kansas that I appreciate their concerns, and I agree that utility customers should not be forced to unfairly bear the costs of business ventures by unregulated companies affiliated with their local utility. Neither should competition be undermined by unfair competition caused by nonutility investments. All too often, utilities have succumbed to temptation and have relied on the more stable, regulated utilities within the company to shore up balance sheets and offset risky nonutility investments, while customers and investors pay the bill. We all agree that we cannot let Enron-style abuses we keep hearing about from consumers, small businesses, and financial companies.
by shifting costs from an unregulated utility-owned business to the public utility. We can agree to disagree on whether FERC needs new authority or simply needs to exercise its existing authority. I anticipate that FERC will use its existing and new authority to address concerns described by small businesses and financial groups, but I agree that if there are problems, we should take a look at them.

Mr. BROWNBACK. The amendment is simply intended to ensure a level playing field between small businesses and utility affiliates, to protect rate-payers, and the financial integrity of utilities, and to preserve fair competition.

Mr. DOMENICI. I commit to the Senators from Wisconsin and Kansas that I will work with them through conference to ensure that the final version of this bill does not undermine consumer protections or the financial integrity of utilities, or harm America’s small businesses and utility affiliates, and to address concerns about cost and U.S. action in the rest of the world in curbing greenhouse gas emissions. I have urged the President to work through international means to address global climate change and support his efforts and those of individual companies to voluntarily curb domestic emissions, but I agree that if there are problems, we should take a look at them in the future.

Mr. BINGAMAN. I commit to the Senators from Wisconsin and Kansas, GAO investigation into the potential for abusive affiliate transactions by holding companies and affiliate businesses of public utility companies. Finally, I suggest a General Accounting Office report on abusive affiliate transactions by holding companies and affiliate businesses of public utility companies, as such a report could be a useful resource for us in the future.

Mr. BROWNBACK. I appreciate the chairman and ranking member’s commitment and look forward to working with them.

Mr. FEINGOLD. Yes, we thank you and look forward to working with the committee on this common-sense proposal.

Mr. SPECTER. Mr. President, I have sought recognition to address the issue of climate change and the various proposals that have been debated this week on the energy bill including the McCain-Lieberman amendment, the Hagel amendment, and the Bingaman-Specter amendment. Climate change is a matter of great international importance and I believe any successful plan to address it must balance environmental protection with the need for economic development and jobs.

I have voted many times for environmental protection for renewable energy and conservation measures. Most recently, on this Energy bill I voted for the Bingaman amendment to mandate that 10 percent of U.S. electricity production be from renewable sources by 2020. I also supported the Cantwell amendment to reduce U.S. oil consumption by over 7 million barrels per day by 2025, in addition to the 1 million barrel per day reduction by 2015 already incorporated into the Energy bill which I have sponsored.

On climate change specifically, the most recent vote of significance prior to the current debate was on October 30, 2005, when the Senate voted on the McCain-Lieberman bill, S. 139, the Climate Stewardship Act, which failed by a vote of 43 to 55. The Senate again today rejected a similar amendment to the Energy bill by a vote of 38 to 60. I voted against this amendment and the previous bill because it is very difficult to meet the strict emissions limit of the year 2000 by the year 2010 in times of unpredictable national and State economies. Additionally, it is very difficult to limit industry in the United States when we do not have a plan for the rest of the world in curbing greenhouse gas emissions. I have urged the President to work through international means to address global climate change and support his efforts and those of individual companies to voluntarily curb domestic emissions, but I agree that if there are problems, we should take a look at them in the future.

I have been encouraged by the recent efforts of Senator BINGAMAN, the ranking Democrat on the Senate Energy and Natural Resources Committee, to bring to the Senate a proposal based on the recommendations of the National Commission on Energy Policy, NCEP, which issued its report in December 2004. The Commission’s recommended approach on climate change would be to implement a mandatory, economy-wide, tradable-permits system designed to curb growth in U.S. greenhouse gas emissions by 2.4 percent in 2010, while capping initial costs at $7 per metric ton of carbon equivalent. This would start the U.S. on a path toward reducing greenhouse gas emissions compared to business as usual, while calling for Government reviews at 5 year intervals of global action on climate change. This new approach addressed two of the basic questions that have led, in my opinion, to the failure of the McCain-Lieberman legislation concerns about cost and U.S. action in the context of international efforts.

I look forward to Senates decision to opt out of the moratorium and drill for oil would obviously affect its neighboring States. Water borders are not like land borders. Water actually knows no borders. It flows, continues and moves. An environmental hazard caused by drilling off the coast of one State would not be problematic for just that State. An oil spill would just keep spilling across these supposed borders. It would contaminate the beaches of neighbor States. This is just common sense. It would negatively impact water quality, fisheries, wildlife, tourism and local economies.

As I stated Tuesday during another offshore drilling debate, drilling off our coast would endanger North Carolina’s booming tourism industry, a true economic engine of my state.
And exploration or drilling off neighboring coasts most certainly would disrupt the waters off North Carolina. We do not need to recite again the dangers of environmental damage that offshore drilling can cause—especially in an area known as the Graveyard of the Atlantic.

Proponents of lifting the moratorium inadvertently make the point for me of how dangerous this is for our coastal environment. In the amendment we are considering tonight, there is revenue sharing with the coastal communities in the states where drilling is allowed. And what is this revenue to be used for? I quote: “(A) Projects and activities for the conservation, protection, or restoration of coastal areas, including wetland. (B) Mitigation of damage to fish, wildlife or natural resources.” Restoring wetlands? Mitigation of damage to fish? Mr. President, North Carolinians want to spend time enjoying their beaches, not restoring them.

Mr. President, I would like to discuss briefly my vote today in favor of the McCain-Lieberman climate change amendment. I supported this amendment because I believe our nation needs to take real action to reduce greenhouse emissions, something the Bush administration has so far refused to do. Global warming is a serious problem that has alarming repercussions for our future food production, water supplies, national security, and the survival of many species of wildlife. The vast majority of mainstream scientists now accept that global warming is real and that it is caused in large part by human activities.

The McCain-Lieberman amendment would hold total U.S. greenhouse gas emissions at year 2000 levels starting in 2010. Most importantly, once that cap is set in place, emissions would not be allowed to increase. The amendment would establish a cap and trade regime for greenhouse gases based on a successful acid rain program that has harnessed the incentives of the free market to reduce sulfur dioxide emissions. I recognize the concerns that have been expressed about this amendment because its innovation title would provide funding for the demonstration of a list of technologies that includes new nuclear reactors. I share this concern, and I agree that many questions remain unanswered about the safety and security of nuclear power.

On the other hand, nuclear power is only one of many technologies that are eligible to compete for demonstration funding in the McCain-Lieberman amendment, including, but not limited to, solar, biofuels, and coal gasification with carbon capture. In addition, these funds would come not from taxpayer dollars but from the sale of emissions allowances under the new cap and trade program. While I would prefer not to rely on nuclear power in this mix, the McCain-Lieberman amendment would have provided substantial mandatory reductions in greenhouse gases that are essential for our future. It is my sincere hope that the Congress and the Bush administration will finally recognize the reality of climate change and take action to reduce our Nation’s greenhouse gas emissions.

Mr. KERRY. Mr. President, I would like the record to show that on June 21, 2005, I missed a series of votes I was out of the office for personal reasons. Had I been present, I would have voted yes for the Nelson amendment No. 783 to strike the section providing for a comprehensive inventory of Outer Continental Shelf greenhouse gas resources. I would have voted no for the Hagel amendment No. 817 to provide for the conduct of activities that promote the adoption of technologies that reduce greenhouse gas intensity in the United States and in developing countries. I would have voted yes for the Voinovich amendment No. 799 to reduce emissions from diesel engines.

Mr. JOHNSON. Mr. President, I was necessarily absent from the Senate on June 21, at a portion of today’s session in order to attend a hearing of the Base Realignement and Closure Commission in Rapid City, SD. I missed six votes, and I would like to state for the RECORD how I would have voted in each instance.

I would have voted no on rollcall vote No. 142, the motion to invoke cloture on the nomination of John R. Bolton, of Maryland, to be Representative of the United States to the United Nations.

I would have voted no on rollcall vote No. 143, Senate amendment No. 783, a Nelson of Florida amendment to H.R. 6 to strike the section providing for a comprehensive inventory of Outer Continental Shelf oil and natural gas resources.

I would have voted yes on rollcall vote No. 144, Senate amendment No. 817, a Hagel amendment to H.R. 6 to provide for the conduct of activities that promote the adoption of technologies that reduce greenhouse gas intensity in the United States and in developing countries and to provide credit-based financial assistance and investment protection for projects that employ advanced climate technologies or systems in the United States.

I would have voted yes on rollcall vote No. 145, Senate amendment No. 799, a Voinovich amendment to H.R. 6 to make grants and loans to States and other entities to strengthen the economy, public health, and environment of the United States by reducing emissions from diesel engines.

I would have voted no on rollcall vote No. 146, the motion to table the Feinstein amendment No. 841 to H.R. 6 to prohibit the Commission from approving an application for the authorization of the siting, construction, expansion, or operation of facilities located onshore or in State waters for the import of natural gas from a foreign country to a foreign country without the approval of the Governor of the State in which the facility would be located.

I would have voted no on rollcall vote No. 147, the motion to table the Schuerman amendment No. 805 to H.R. 6 to express the sense of the Senate regarding management of the Strategic Petroleum Reserve to lower the burden of gasoline prices on the economy of the United States and to support the efforts of OPEC to reap windfall profits.

Mrs. MURRAY. Mr. President, today I cast a vote for the McCain-Lieberman climate stewardship and innovation amendment to H.R. 6. I support this amendment on the need for the United States to take action to address global climate change in a real and proactive manner.

The authors of the amendment have recently added provisions related to nuclear power. I don’t agree that these two policy issues should be linked, but it was my colleagues’ option.

The real message and point of this amendment remains that the United States needs to acknowledge and rapidly begin addressing global climate change.

Voluntary measures are constructive but not good enough. We cannot afford to sit back and indulge those who choose against making reductions in harmful emissions because of those who do. Scientific evidence shows that global warming poses a real threat to the Pacific Northwest environment, way of life, and economy.

As the world’s largest emitter of greenhouse gases, we should lead by example and innovation. We should not wait for other countries to lead on this important priority. We should seek and promote technologies that promote energy efficiency and make significant cuts in greenhouse gas emissions, as the climate stewardship and innovation amendment would have us do.

Mr. President, I support this amendment because it commits the United States to a mandatory program that makes real cuts in greenhouse gas emissions. This amendment will make our country, and the entire globe, a safer, cleaner place.

Mr. LOTT. Mr. President, as we debate America’s energy future, it is critical that we focus on the growing challenge to America’s energy security and ultimately to our way of life—posed by an overseas threat currently underway to acquire the world’s limited energy resources. China’s need for energy is increasing rapidly, and China is now the second largest consumer of energy in the world. For all of 2005, it is forecasted that China will consume 7.2 million barrels of oil per day, and its demand could double by 2020 as its economy grows.

At the same time, China produces very little of the energy it uses, and thus is forced to import almost all energy. In its quest for oil, China has become aggressive in brokering deals in every part of the world through its national oil companies. These companies are Government controlled, and unlike private companies are willing to accept lower rates of return with no concerns
Mr. FRIST. Mr. President, I rise today in opposition to the cruelest and most unfair tax our Government imposes, the death tax. The death tax destroys small businesses, it damages families, and it prevents job creation. The death tax forbids hardworking people from passing on their assets to spouses, children, friends, and lovers. It damages family farms, newspapers, shops, and factories. Let me make my principles clear: Americans spend their lives paying taxes; death should not be a taxable event. A typical family spends between $30,000 and $150,000 simply planning to avoid this tax—$150,000 enough to start a business and create dozens of jobs—all of it wasted simply trying to avoid this unjust tax. The death tax is immoral.

It needs to go.

We have already begun to cut the death tax and current law will complete its phase-out in 2010. But, on January 1, 2011, the death tax will spring back to life. And, it will rise to confiscatory levels. That’s why I have filed an amendment today that will abolish the death tax, immediately and forever, effective January 1, 2006. If we do not act, the death tax will come back to haunt our children’s futures. I urge all of my colleagues in ending the sway of this terrible tax once and for all.

Mr. DOMENICI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Ms. MURKOWSKI. Mr. President, we have had some great discussion here on the floor of the Senate as we debate the merits of the death tax. I think we have talked about conservation and about new production. We have talked a lot about renewables and alternatives.

One of those areas that we have not heard a lot of discussion on, in terms of all the renewables, is the area of ocean energy. When we look at our globe and at all those colors, we recognize that we have a heck of a lot of ocean to deal with, and there is great potential there.

The Energy bill currently provides production incentives and Federal purchase requirement assistance to many forms of renewable energy: wind, solar, geothermal, and closed-loop biomass, but oddly enough, it doesn’t provide such aid to this type of power that I am talking about—power that can benefit all 25 coastal States, and that is the area of ocean energy. This is a relatively new type of renewable power. It comes from harnessing the endless power of the ocean either by building the wave energy converter that transfers the power of waves into current; or the tidal and current systems that use tidal or current flows to spin underwater turbines; or the newest type, which is ocean thermal energy technology, and this generates electricity from the temperature differential of surface and deeper waters.

Ocean electric projects are relatively new in this country, but not necessarily overseas. Currently, there are operational energy projects in the Azores, Portugal, the coast of Scotland, the Azores, Australia, and Portugal.

In America, we have some projects proposed off Hawaii, in Makah Bay in Washington State, in the East River off of New York City, and also for installation at Port Judith in Rhode Island.

The amendment that the Senate will proceed to consider is one I am proposing that will simply try to level the playing field to see if the technology can be improved to bring down the cost of renewable power so it can be competitive with other forms of renewable energy. When wind energy first started, when we started getting into this technology in 1978, it was costing about 25 cents a kilowatt hour. Ocean energy is already starting at about half that cost, even before economies of scale, and years of technology testing and improvement have had a chance to reduce those costs.

Now, in Alaska, we have about 5.6 million megawatts of power that Alaskans use a year; 3.36 million megawatts come from lake taps or small hydro-power. That is about 25 percent of Alaska’s electricity, which is currently coming from hydro.

We also produce 3,600 megawatts of power from wind turbines, which are working great. They are out in the Kotzebue area and St. Paul Island in the Pribilofs and in other southeastern Alaskan communities. Alaska gains 6,000 to nearly 10,000 megawatts of power from burning fish oil. I have had people tell me, ‘Wait a minute, isn’t that right, that you burn fish oil to generate power?’ That is correct. Given the health of Alaska’s seafood industry, this is a renewable energy source that has great potential. There are new government renewable projects proposed for near Bethel, at Fire Island near Anchorage, and a number of other projects proposed in rural communities. Alaska, in the efforts that we are making currently, might gain 200,000 megawatts of power or 5 percent of our needs.

I mention this to simply indicate that while we are committed to using renewables whenever possible, we have to acknowledge how far we can get with the technologies that we have and what is available to us. When you consider that in the State of Alaska we have about 125 villages and towns either on our coastline or near the mouths of coastal rivers and bays that could use the wind benefits that they have, that while we are committed to using renewables whenever possible, we have a heck of a lot of ocean to deal with, and there is great potential there.

But ocean energy could also help hundreds of towns around Hawaii and all along our coastal communities in the lower 48. We have 23 lower 48 ocean States. If we provide enough assistance to help with this technology, to look through the research, this can become an economic venture.

As those current plants are environmentally friendly, completely clean. Already the plants in operation are able to be installed for $500 to $1,000 per kilowatt hour—costs that are very competitive to the roughly $1.200-per-kilowatt capital cost of nuclear power.

The Alaska delegation is also seeking an amendment to the tax title to extend ocean energy so that it qualifies for the existing energy production tax credit—currently 1.9 cents per kilowatt hour for wind. The additional cost of the two provisions is insignificant. But they could greatly diversify the Nation’s energy portfolio in future decades. We recognize that the ocean is an
energy source that is truly renewable. I am looking, through my amendment, to help aid Americans to harness that energy from our 12,000 miles of coastline. It is something that we need to look at as a positive reality and give the encouragement where needed.

I want to change focus a little bit and talk for a moment this evening about an energy policy—an energy policy that belongs to a nation whose demand and consumption of oil far outstrips domestic, a nation that accounts for one-fifth of the world’s oil demands over the last 4 years, and a nation whose demand for oil is one of the leading factors driving oil prices to record-high levels.

I am not talking about the United States tonight. I am talking about China. Why the difference with China? They have an energy policy, and we don’t. A couple weeks ago, I chaired a hearing in the Foreign Relations Committee on China’s growth and what that means for the United States. One of the witnesses at that hearing, Mr. Mikkal Herberg, with the National Bureau of Asian Research, provided a very informative and eye-opening look at China’s increasing role in the international market. To summarize in one sentence: China is quickly becoming a major player in the geopolitics of global energy.

China’s demand for energy is a reflection of its two-decade-long economic growth. China surpassed Japan in 2003 as the world’s second largest consumer of oil. It is the world’s third largest importer and now imports more than 40 percent of its total oil needs.

The International Energy Agency forecasts that China’s imports will rise more than fivefold by 2030. This is from the current level of about 2 million barrels per day to nearly 11 million barrels per day, when imports will account for 80 percent of China’s energy needs.

The East-West Center predicts that by 2015, 70 percent of China’s oil imports will come from the Middle East. China is very much aware of the vulnerable maritime choke points that this oil must pass through in order to reach its shores. Fifty percent of Asia’s current daily oil supplies must transit through the Straits of Malacca near Singapore.

Mr. President, the United States currently exports around 58 percent of the oil consumed in this country. What would happen to us in the United States if we were 80-percent dependent on other nations for our economic growth? For our transportation and our security needs? For our home heating needs?

We might very well do what China is doing today—not just investing heavily in other countries but seeking to control all aspects of the oil production. For example, in Sudan, a Chinese State-owned oil company owns 40 percent of a conglomerate that produces 300,000 barrels of oil per day. The same company has a major stake in the oil pipeline to the coast, they built and own a share of an oil refinery, and they helped build oil-loading port facilities on the coast.

While we in the United States naturally gravitate toward an economic model of supply and demand that is energy resource-driven, oil is nowhere on the worldwide market. China does not abide by this market-based system. As Mr. Herberg noted at the hearing, China is unilaterally trying to secure its future oil and gas needs by direct state intervention. They are taking equity stakes in oil and gas fields and promoting the global expansion of their three national oil companies.

I note that one of them, China National Offshore Oil Corporation, is looking to submit a counterbid to Chevron’s offer to purchase Unocal Corporation. China is promoting state-to-state deals of new oil and gas pipelines to channel supplies directly to China and developing broader financial, technical, and military ties with key oil exporter nations. In the past 5 years, the Chinese Government has signed strategic energy alliances with eight countries.

Their push to develop a Shanghai Cooperation Organization to focus on combating terrorism in the region can also be attributed to their desire to forge stronger energy ties and more secure energy supplies. China has major oil investment in Kazakhstan and is currently building a large oil pipeline from Kazakhstan to western China.

Many of my colleagues may be aware that China is investing heavily in Alberta, Canada’s oil sands, the same fields that moved Canada up into the No. 2 slot in the world for proven oil reserves. China is also looking to construct a pipeline to Canada’s west coast to export that oil to China.

China has signed at least 116 major energy investments in 37 countries since 1990, with another 25 proposals still pending. They have significant holdings in Sudan, Iran, and Venezuela. In Angola, the bidding process for the large offshore Greater Plutonio oilfield was additionally won by Indian’s national oil company, but the Angolan Government mandated that the deal instead go to the Chinese, and this, of course, came on the heels of a $2 billion aid offer from China.

China’s energy security strategy is making a bid to look to the South. When you think of the large economies of Japan and South Korea, each nation is highly dependent on oil imports for their energy needs. The idea of China locking up future sources of oil cannot be comforting to them, leading to their own efforts to lock in stable sources of energy.

As China and other Asian nations raise their level of diplomatic and political involvement in the Middle East, their influence will increase as well. Already, nearly two-thirds of the Persian Gulf’s oil exports go to Asia, and this share will only increase. The United States will find its position as the traditionally dominant outside power in the Middle East significantly challenged in the future.

My point tonight is not to criticize or to demonize China for their moves to secure an energy supply. In fact, China’s growing energy demands also prompt companies to promote greater energy efficiency and higher oil recovery rates for China’s domestic production.

My point is simply this: As a developing nation, China needs to secure the future and determine that it needed secure and more sources of energy. They developed a long-range plan. They have been implementing that plan, and, as a result, will have continued access to energy resources in the future.

China’s foreign policy reflects their long-term strategy of gaining access to, and to some degree, control over energy sources for their needs. Our energy policy, on the other hand, has not nearly been as focused. It has sometimes been referred to as a “tin cup” policy where we go begging for oil from exporting countries when there is a shortage or high prices.

Yet as other nations look to the Middle East to secure their own sources of energy, their influence in the region may diminish. Our cries for OPEC to increase production and output will be weighed against the interest of China and other developing nations. Congress could have—or should have—seen the need for an energy legislation years ago, but that is the past. We have another opportunity in front of us to prepare this country for the future to look at our long-term energy needs and determine the best way to address them.

I thank Chairman Domenici and Senators Grassley, Bingaman, and Baucus for their work in crafting this legislation. I think we all would agree it is long past time for Congress to enact a much needed energy bill. It is time for this country to have an energy policy of its own.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. Frist. Mr. President, I ask unanimous consent that the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS Nos. 786, 787, 789, 818, 822, 853, 854, 861, 864, 870, 927, 931, AS MODIFIED, 978 THROUGH 989

Mr. Frist. I have a package of manager amendments that have been cleared on both sides of the aisle. I would pass them to the desk, and I ask unanimous consent that the amendments be considered and agreed to with the motion to reconsider laid upon the table.

The PRESIDING OFFICER (Ms. Murray). Without objection, it is so ordered.

The amended were agreed to as follows:

---
AMENDMENT NO. 786

(Purpose: To make energy generated by oceans eligible for renewable energy production incentives and to modify the definition of the term ‘renewable energy’ to include energy generated by oceans for purposes of the Federal purchase requirement.)

On page 131, line 24, insert ‘ocean (tidal, wave, current, and thermal),’ after ‘offshore wind;’

On page 755, after line 25, add the following:

(AMENDMENT NO. 787)

(Purpose: To make Alaska Native Corporations eligible for renewable energy production incentives)

On page 131, lines 18 and 19, strike ‘or an Indian tribal government or subdivision thereof,’ and insert ‘an Indian tribal government or subdivision thereof, or a Native Corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)).’

SEC. 13. ALTERNATIVE FUELS REPORTS.

(a) In General.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress reports on the potential for each of biodiesel and hythane to become major, sustainable, alternative fuels.

(b) Biodiesel Report.—The report relating to biodiesel submitted under subsection (a) shall—

(1) provide a detailed assessment of—

(A) retail biodiesel markets and manufacturing capacity; and

(B) environmental and energy security benefits with respect to the use of biodiesel;

(2) identify any impediments, especially in infrastructure needed for production, distribution, and storage, to biodiesel becoming a substantial source of fuel for conventional diesel engines;

(3) identify strategies to enhance the commercial deployment of biodiesel; and

(4) include an examination and recommendations, as appropriate, of the ways in which biodiesel may be modified to be a cleaner-burning fuel.

(c) Hythane Report.—The report relating to hythane submitted under subsection (a) shall—

(1) provide a detailed assessment of potential hythane markets and the research and development activities that are necessary to facilitate the commercialization of hythane as a competitive, environmentally-friendly, transportation fuel;

(2) assess—

(A) the infrastructure necessary to produce, blend, distribute, and store hythane for widespread commercial purposes; and

(B) other potential market barriers to the commercialization of hythane;

(3) examine the viability of producing hydrogen using energy-efficient, environmentally-friendly methods so that the hydrogen can be blended with natural gas to produce hythane; and

(4) include an assessment of the modifications that would be required to convert compressed natural gas vehicles to engines that use hythane as fuel.

(d) Grants for Report Completion.—The Secretary may use any sums that are available to the Secretary to provide, to 1 or more colleges or universities selected by the Secretary, grants for use in carrying out research to assist the Secretary in preparing the reports required to be submitted under subsection (a).

AMENDMENT NO. 818

(Purpose: To commission a study for the roof of the Dirksen Senate Office Building in a manner that facilitates the incorporation of energy efficient technology and amends the Master Plan for the Capitol complex)

On page 15, strike lines 1 through 20 and insert the following:

As part of the process of updating the Master Plan Study for the Capitol complex, shall—

(A) carry out a study to evaluate the energy infrastructure of the Capitol complex to determine how to augment the infrastructure to become more energy efficient—

(1) by using unconventional and renewable energy resources;

(2) by—

(I) incorporating new technologies to implement effective green building solutions;

(II) adopting computer-based building management systems; and

(III) recommending strategies based on end-user behavioral changes to implement low-cost environmental gains; and

(iii) in a manner that would enable the Capitol complex to have reliable utility services in the event of power fluctuations, shortages, or outages;

(B) carry out a study to explore the feasibility of installing energy and water conservation measures on the rooftop of the Dirksen Senate Office Building, including the area directly above the food service facilities in the center of the building, including the installation—

(i) a vegetative covering area, using native species to the maximum extent practicable, to—

(1) insulate and increase the energy efficiency of the building;

(2) reduce precipitation runoff and conserve water for landscaping or other uses;

(III) improve the aesthetics of the building; and

(ii) onsite renewable energy and other state-of-the-art technologies to—

(I) improve the energy efficiency and energy security of the building or the Capitol complex by providing additional or backup sources of power in the event of a power shortage or other emergency;

(II) reduce the use of resources by the building; or

(III) enhance worker productivity; and

(C) not later than 180 days after the date of enactment of this Act, submit to Congress a report describing the findings and recommendations of the study under subparagraph (B).

SEC. 2. NATIONAL PRIORITY PROJECT DESIGNATION.

(a) Designation of National Priority Projects.—

(1) In General.—There is established the National Priority Project Designation (referred to in this section as the “Designation”), which shall be evidenced by a medal bearing the inscription “National Priority Project.”

(2) Design and Materials.—The medal shall be of such design and materials and bear such additional inscriptions as the President may prescribe.

(b) Making and Presentation of Designation.—

(1) In General.—The President, on the basis of recommendations made by the Secretary, shall annually designate organizations that have—

(A) advanced the field of renewable energy technology and contributed to North American energy independence; and

(B) been certified by the Secretary under subsection (e).

(2) Presentation.—The President shall designate projects with such ceremonies as the President may prescribe.

(c) Use of Designation.—An organization that receives a Designation under this section may publicize the Designation of the organization as a National Priority Project in advertising.

(d) Organizations in Which the Designation May Be Given.—Separate Designations shall be made to qualifying projects in each of the following categories:

(1) Wind and biomass energy generation projects.

(2) Photovoltaic and fuel cell energy generation projects.

(3) Energy efficient building and renewable energy projects.

(4) First-in-Class projects.

(e) Selection Criteria.—

(1) In General.—Certification and selection of the projects to receive the Designation shall be based on criteria established under this subsection.

(2) Wind, Biomass, and Building Projects.—In the case of a wind, biomass, or building project, the project shall demonstrate that the project will install not less than 3 megawatts of renewable energy generation capacity.

(3) Solar Photovoltaic and Fuel Cell Projects.—In the case of a solar photovoltaic or fuel cell project, the project shall demonstrate that the project will install not less than 3 megawatts of renewable energy generation capacity.

(4) Energy Efficient Building and Renewable Energy Projects.—In the case of an energy efficient building or renewable energy project, in addition to meeting the criteria established under paragraph (2), each building project shall demonstrate that the project will—
(A) comply with third-party certification standards for high-performance, sustainable buildings;
(B) use whole-building integration of energy and environmental performance design and technology, including advanced building controls;
(C) use renewable energy for at least 50 percent of the energy consumption of the project;
(D) comply with applicable Energy Star standards; and
(E) lend at least 5,000,000 square feet of enclosed space.

(5) First-in-class use.—Notwithstanding paragraph (4), a new building project may qualify under this section if the Secretary determines that the project—
(A) represents a First-In-Class use of renewable energy;
(B) otherwise establishes a new paradigm of building integrated renewable energy use or energy efficiency.

(d) Application.—
(1) Initial applications.—No later than 120 days after the date of enactment of this Act, and annually thereafter, the Secretary shall publish in the Federal Register an invitation and guidelines for submitting applications, consistent with this section.

(2) Contents.—The application shall describe the proposed project, and the plans to meet the criteria established under subsection (c).

(e) Certification.—
(1) In general.—Not later than 60 days after the application period described in subsection (d), and annually thereafter, the Secretary shall certify projects that are reasonably expected to meet the criteria established under subsection (c).

(2) Certified projects.—The Secretary shall designate personnel of the Department to work with persons carrying out each certified project and ensure that the personnel—
(A) provide each certified project with guidance in meeting the criteria established under subsection (c);
(B) identify programs of the Department, including National Laboratories and Technology Centers, that will assist each project in meeting the criteria established under subsection (c); and
(C) ensure that knowledge and transfer of the most current technology between the applicable resources of the Federal Government (including the National Laboratories and Energy Conservation, the Department, and the Environmental Protection Agency) and the certified projects is being facilitated to accelerate commercialization of work developed through those resources.

(f) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2006 through 2010.

AMENDMENT NO. 861
(Purpose: To require the Secretary to enter into a contract with the National Academy of Sciences to determine the effect of electrical contaminants on the reliability of energy production systems)

SEC. 13. EFFECT OF ELECTRICAL CONTAMINANTS ON RELIABILITY OF ENERGY PRODUCTION SYSTEMS.

Not later than 180 days after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences to determine the effect that electrical contaminants (such as tin whiskers) may have on the reliability of energy production systems, including nuclear energy.

AMENDMENT NO. 864
(Purpose: To ensure that cost-effective procedures are used to fill the Strategic Petroleum Reserve)

On page 236, line 12, strike “The Secretary shall” and insert the following:

(1) In general.—The Secretary shall

(2) Procedures.—

(A) In general.—The Secretary shall develop, with an opportunity for public comment, procedures to obtain oil for the Reserve with the intent of maximizing the overall domestic supply of crude oil (including quantities stored in private sector inventories) and minimizing the costs to the Department of the Interior and the Department of Energy of acquiring such oil (including foregone revenues to the Treasury when oil for the Reserve is obtained through the royalty-in-kind program), consistent with national security.

(B) Considerations.—The procedures shall provide that, for purposes of determining whether to acquire oil for the Reserve or defer deliveries of oil, the Secretary shall take into account—

(1) current and future prices, supplies, and inventories of oil;
(2) national security; and
(3) other factors that the Secretary determines to be appropriate.

(C) Review of requests for deferrals of scheduled deliveries.—The procedures shall include procedures and criteria for the review of requests for the deferrals of scheduled deliveries.

(D) Deadlines.—The Secretary shall—

(1) propose the procedures required under this paragraph not later than 120 days after the date of enactment of this Act; and

(2) comply with the procedures in acquiring oil for Reserve effective beginning on the date that is 180 days after the date of enactment of this Act.

AMENDMENT NO. 870
(Purpose: To require the Federal Energy Regulatory Commission to complete its investigation and order refunds on the unjust and unreasonable rates charged to California during the 2000-2001 electricity crisis)

At the appropriate place, insert the following:

AMENDMENT NO. 877
(Purpose: To require the Secretary to enter into a contract with the National Academy of Sciences to determine the effect of electrical contaminants on the reliability of energy production systems)

SEC. 13. EFFECT OF ELECTRICAL CONTAMINANTS ON RELIABILITY OF ENERGY PRODUCTION SYSTEMS.

Not later than 180 days after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences to determine the effect of electrical contaminants on the reliability of energy production systems.)
would be needed to create the necessary fuel
cell technologies that provide alternatives to
petroleum and the more efficient use of en-
ergy; and
(ii) the Federal Government would need to
commit to developing, in conjunction with
private industry and academia, advanced ve-
hicle technologies and the necessary hydro-
gen infrastructure to provide alternatives to
petroleum.
(b) STUDY.—
(1) IN GENERAL.—As soon as practicable
after the date of enactment of this Act, the
Secretary shall enter into a contract with the
National Academy of Sciences and the
National Research Council to carry out a study
of fuel cell technologies that provides a
budget roadmap for the development of
fuel cell technologies and the transition from
petroleum to hydrogen in a significant
percentage of the vehicles sold by 2020.
(2) REQUIREMENTS.—In carrying out the
study, the National Academy of Sciences and
the National Research Council shall—
(A) establish as a goal the maximum per-
centage practicable of vehicles that the Na-
tional Academy of Sciences and the National
Research Council determines can be fueled by
hydrogen by 2020;
(B) determine the amount of Federal and
private funding required to meet the goal es-
tablished under subparagraph (A);
(C) determine what actions are required to
meet the goal established under subpara-
graph (A); and
(D) examine the need for expanded and en-
hanced Federal research and development
programs, changes in regulations, grant pro-
grams, partnerships between the Federal
Government and industry, private sector in-
vestments, and infrastructure investments by
the Federal Government and industry, edu-
cational and public information initiatives,
and Federal and State tax incentives to meet
the goal established under subparagraph (A);
(E) consider whether other technologies
would be less expensive or could be more
quickly implemented than fuel cell tech-
nologies to achieve significant reductions in
carbon dioxide emissions;
(F) take into account any reports relating
to fuel cell technologies and hydrogen-fueled
vehicles in including—
(i) the report prepared by the National
Academy of Engineering and the National
Research Council in 2004 entitled “Hydro-
gen Economy: Opportunities, Costs, Barriers,
and R&D Needs”; and
(ii) the report prepared by the U.S. Fuel
Cell Council in 2005 entitled “Fuel Cells and
Hydrogen: The Path Forward”; and
(G) consider the challenges, difficulties,
and potential barriers to meeting the goal
established under subparagraph (A); and
(H) with respect to the budget roadmap—
(i) specify the amount of funding required
on an annual basis from the Federal Govern-
ment and industry to carry out the budget
roadmap; and
(ii) specify the advantages and disadvan-
tages to moving toward the transition to hy-
dergen-fueled vehicles in accordance with the
timeline established by the budget roadmap.

AMENDMENT NO. 983, AS MODIFIED
(Purpose: To provide a manager’s
amendment)
On page 4, lines 4 and 5 and insert the fol-
lowing:
SEC. 1500. SHORT TITLE; AMENDMENT OF 1986
CODE.
Beginning on page 2, strike line 5 and all
that follows through page 3, line 2, and insert
the following:
Subtitle A—Electricity Infrastructure
On page 7, lines 6 and 7, strike “low-head
hydroelectric facility or”.
On page 8, lines 10 and 11, strike “Low-
head Hydroelectric Facility or Nonhydro-
electric Dam” and insert “Nonhydro-
electric Dam”.
On page 9, strike lines 18 through 20 and in-
sert the following:
“(ii) the facility was placed in service be-
fore the date of the enactment of this para-
graph and did not produce hydroelectric
power on the date of the enactment of this
paragraph, and
Beginning on page 8, line 24, strike “the In-
stallation” and insert “the installation”.
On page 9, strike line 9 through 19.
On page 26, strike lines 14 and 15 and insert
the following:
(2) Section 1397f(c)(2) is amended by in-
serting “and subpart H thereof” after “re-
fundable credits”.
On page 48, lines 8 and 9, strike “the date
of the enactment of this Act” and insert “De-
cember 31, 2004”.
On page 73, line 1, strike “PATRONS” and
insert “OWNERS”.
On page 90, strike lines 4 through 7.
On page 90, line 21, strike “and, in the
case” and all that follows through line 23.
On page 107, line 17, insert “a home in-
pector certificated by the Secretary of
Energy as trained to perform an energy inspection for
purposes of this section” after “(IPA),”.
On page 110, line 22, strike “(2)” and insert
“(2)”,
On page 143, strike lines 1 through 6, and
insert the following:
“(1) MAXIMUM CREDIT.—The credit allowed
under subsection (a) for any taxable year shall not exceed—
(A) $2,000 with respect to any qualified
solar water heating property expenditures,
(B) $2,000 with respect to any qualified
photovoltaic property expenditures, and
(C) $500 with respect to each kilowatt of
capacity of qualified fuel cell property (as
defined in section 48(d)(1)) for which quali-
fied fuel cell property expenditures are made.
On page 149, between lines 6 and 7, insert
the following:
(1) Section 23(c) is amended by striking
“this section and section 1400C” and insert-
ing “this section, section 25D, and section
1400C”.
(2) Section 25e(1)(C) is amended by stri-
k ing “this section and sections 23 and 1400C” and
inserting “other than this section, sec-
tion 23, section 25D, and section 1400C”.
(3) Section 1400C(d) is amended by stri-
k ing “this section” and inserting “this section
and section 25D”.
On page 149, line 7, strike “(1)” and insert
“(4)”,
On page 149, line 15, strike “(2)” and insert
“(6)”,
On page 149, lines 19 and 20, strike “Except
as provided by paragraph (2), the” and insert
“Except”.
On page 155, lines 2 and 3, strike “use in a
structure”.
On page 155, line 12, insert “periods” before
“before”.
On page 210, between lines 19 and 20, insert
the following:
(b) WRITTEN NOTICE OF ELECTION TO ALLO-
CATE CREDITS.—PATRONS.—Section
40g(6)(A)(ii) (relating to form and effect of
election) is amended by adding at the end
the following new sentence: “such election
shall not take effect unless the organization
designates the apportionment as such in a
written notice mailed to its patrons during the
payment period described in section
1902(d)(1).”
On page 210, line 20, strike “(b)” and insert
“(c)”.
(a) DEFINITIONS OF GIS.—In this section, the term ‘GIS’ means geographic information systems technology that facilitates the organization and management of data with a geographic component.

(b) PROGRAM.—The Secretary shall establish a program of research, development, demonstration, and commercial application to maximize the productive capacity of marginal wells and reservoirs.

(c) DATA COLLECTION.—Under the program, the Secretary shall collect data on—

(1) the status and location of marginal wells and gas reservoirs;
(2) the production capacity of marginal wells and gas reservoirs; and
(3) the location of low-pressure gathering facilities and pipelines; and

(4) the quantity of natural gas vented or flared in association with crude oil production.

(d) ANALYSIS.—Under the program, the Secretary shall—

(1) estimate the remaining producible reserves based on variable pipeline pressures; and
(2) recommend measures that will enable the continued production of those resources.

(e) STUDY.—

(1) IN GENERAL.—The Secretary may award a grant to an organization of States that contain significant numbers of marginal oil and natural gas wells to conduct an annual study of low-volume natural gas reservoirs.

(2) ORGANIZATION WITH NO GIS CAPABILITIES.—If an organization receiving a grant under paragraph (1) does not have GIS capabilities, the organization shall contract with an institution of higher education with GIS capabilities.

(3) STATE GEOLOGISTS.—The organization receiving a grant under paragraph (1) shall collaborate with the State geologist of each State being studied.

(f) PUBLIC INFORMATION.—The Secretary may use the data collected and analyzed under this section to produce maps and literature to disseminate to States to promote conservation of natural gas reservoirs.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section—

(1) $1,500,000 for fiscal year 2006; and
(2) $500,000 for each of fiscal years 2007 and 2008.

AMENDMENT NO. 987

(Purpose: To make petroleum coke gasification projects eligible for certain loan guarantees)

On page 767, between lines 21 and 22, insert the following:

(3) PETROLEUM COKE GASIFICATION PROJECTS.—The Secretary is encouraged to make loan guarantees under this title available for petroleum coke gasification projects.

AMENDMENT NO. 988

(Purpose: To authorize the Secretary of Energy to make grants to increase energy efficiency, promote siting or upgrading of transmission and distribution lines, and providing or modernizing electric facilities in rural areas)

On page 159, after line 23, add the following:

SEC. 13. PASSIVE SOLAR TECHNOLOGIES.

(a) DEFINITION OF PASSIVE SOLAR TECHNOLOGY.—In this section, the term ‘passive technology’ means passive solar technology, including daylighting, that—

(1) is used exclusively to avoid electricity use; and
(2) can be metered to determine energy savings.

(b) STUDY.—The Secretary shall conduct a study to determine—

(1) the range of levelized costs of avoided electricity for passive solar technologies; and
(2) the quantity of electricity displaced using passive solar technologies in the United States as of the date of enactment of this Act; and

(c) REPORT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the study results under subsection (b).

AMENDMENT NO. 989

(Purpose: To require the Secretary to conduct a study on passive solar technologies)

On page 755, after line 25, add the following:

AMENDMENT NO. 990

(Purpose: To require the Secretary to conduct a 3-year program of research, development, and demonstration on the use of ethanol and other low-cost transportable renewable feedstocks as intermediate fuels for the safe, energy efficient, and cost-effective transportation of hydrogen)

On page 489, between lines 20 and 21, insert the following:

SEC. 9. HYDROGEN INTERMEDIATE FUELS RESEARCH PROGRAM.

(a) IN GENERAL.—The Secretary, in coordination with the Secretary of Agriculture,
shall carry out a 3-year program of research, development, and demonstration on the use of ethanol and other low-cost transportable renewable feedstocks as intermediate fuels for the efficient, and cost-effective transportation of hydrogen.

(b) GOALS.—The goals of the program shall include—

(1) demonstrating the cost-effective conversion of ethanol or other low-cost transportable renewable feedstocks to pure hydrogen suitable for eventual use in fuel cells,

(2) using existing commercial reforming technology or modest modifications of existing technology to reform ethanol or other low-cost transportable renewable feedstocks into hydrogen,

(3) converting at least 1 commercially available internal combustion engine hybrid electric passenger vehicle to operate on hydrogen;

(4) not later than 1 year after the date on which the program begins, installing and operating an ethanol reformer, or reformer for another type of feedstock, and the fuel economy system, storage, and dispensing), at the facility of a fleet operator;

(5) operating 100 or more vehicles described in paragraph (3) for a period of at least 2 years; and

(6) collecting emissions and fuel economy data on the 1 or more vehicles described in paragraph (3) in various operating and environmental conditions.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) There is authorized to be appropriated to carry out this section $5,000,000.

AMENDMENT NO. 989

(The text of the amendment is printed in today’s RECORD under “Text of Amendments.”)

AMENDMENT NO. 984

Mr. LEVIN. Mr. President, I am pleased to agree, along with Senator COLLINS, an amendment to ensure that the Department of Energy, DOE, carries out the direction in this bill to fill the Strategic Petroleum Reserve, SPR, in a cost-effective manner.

I would like to thank the managers of the bill, Senators DOMENICI and BINGAMAN, and Senators WYDEN and SCHUMER, for working with Senator COLLINS and myself so that this amendment can be accepted.

The Energy Bill being considered by the Senate today directs the Secretary of Energy to “as expeditiously as practicable, without incurring excessive cost or appreciably affecting the price of gasoline or heating oil to consumers, acquire petroleum in quantities sufficient to fill the Strategic Petroleum Reserve to [1 billion barrels].”

This amendment will help the DOE ensure that it will acquire oil for the SPR without incurring excessive cost or appreciably affecting the price of gasoline or heating oil to consumers, acquire petroleum in quantities sufficient to fill the Strategic Petroleum Reserve to [1 billion barrels].

The amendment will help the DOE ensure that it will acquire oil for the SPR without incurring excessive cost or appreciably affecting gasoline or heating oil prices. The amendment is simple. It directs DOE to consider the price of oil and other market factors when buying oil for the SPR. It also directs DOE to minimize the program’s cost to the taxpayer while maximizing our energy security. At the same time, it does not restrict the Secretary of Energy’s discretion to determine how quickly to fill the SPR, or when to put more oil into the SPR.

A nearly identical amendment that I offered with Senator COLLINS was adopted by the Senate by voice vote on the Interior Appropriation Bill for fiscal year 2004. Unfortunately, it was not retained in conference.

Under the amendment, DOE would have the discretion to determine when to buy oil for the SPR, and under which procedures, but DOE would be directed to use that discretion in a way to minimize costs while maximizing national energy security.

The amendment requires DOE to seek public comment on the procedures to be used to acquire oil. The Department would be wise to especially seek comment from energy industry experts and economists as to the effect that filling the SPR can have—and has had—on oil prices. I believe the Department can learn from our experience over the past few years as to the significant effect the SPR fill can have on oil prices.

Since late 2001, the DOE has been steadily adding oil to the SPR. In late 2001, the Reserve held about 560 million barrels of oil; today it holds nearly 695 million barrels. DOE expects to complete its current program to fill the SPR to 700 million barrels in August of this year.

Since early 2002, DOE has been acquiring oil for the SPR without regard to the price or supply of oil. Prior to that time, DOE bought more oil when the price of oil was low and inventories were full, and less oil when the price of oil was high and inventories low. In early 2002, DOE abandoned this market-based approach. Instead, it adopted a cost-blind approach, which does not consider cost or any other market factors when buying oil. During this period the price of oil has been very high—often over $30 per barrel—and the oil markets have been tight. This cost-blind approach has increased the costs of the program to the taxpayer.

Any successful businessman knows the saying, “Buy low, sell high.” This is true for oil as well as for pork bellies; for the U.S. Government as well as for oil companies.

In 2002, the DOE’s staff recommended against buying more oil for the SPR in tight markets. As prices were rising and inventories falling, the DOE’s SPR staff warned:

Commercial inventories are low, retail prices are high, and economic growth is slow. The Government should avoid acquiring oil for the Reserve under these circumstances.

The administration disregarded these warnings. SPR deliveries proceeded. As the DOE staff predicted, oil supplies tightened and retail prices increased. American consumers paid the price.

In 2003, the Permanent Subcommittee on Investigations published a report on how this change in DOE policy hurt consumers without providing any additional energy security. The investigation found:

Filling the SPR in tight market increased U.S. oil prices and hurt U.S. consumers.

Filling the SPR regardless of oil prices increased taxpayer costs. Despite its high cost, filling the SPR (in 2002) did not increase overall U.S. oil supplies.

The March report also warned that the deliveries that were then scheduled for later in 2003 would drive oil prices higher because prices were high and inventories were low. This prediction turned out to be accurate.

Many experts have said that filling the SPR during the tight oil markets over the past several years increased oil prices.

In January 2004, Goldman Sachs, the largest crude oil trader in the world, reported “government storage builds will provide persistent support to the markets”—meaning that filling the SPR pushes up prices—and that “government storage builds have lowered commercially available petroleum supplies.”

Bill Greehey, chief executive of Valero Energy, the largest independent refiner in the U.S., criticized the administration for filling the SPR in tight markets. Back when oil was just under $30 per barrel, Mr. Greehey complained that the SPR program was diverting oil from the marketplace: If that was going into inventory, instead of the reserve, you would not be having $29 oil, you’d be having $35 oil. So, I think they’ve completely mismanaged the strategic reserve.

The airline industry has been one of the industries hardest hit by high oil prices. Last year, Richard Anderson, the chief executive officer of Northwest Airlines, stated:

U.S. taxpayers and the economy would realize greater economic potential with a more prudent management of this national asset by not further filling the SPR under the current market structure. The DOE should wait for more favorable prices before filling the reserve both today and in the future.

Larry Kellner, president and chief operating officer, Continental Airlines, also criticized the DOE’s current SPR policy:

The average price per barrel for 2003 was the highest in 20 years and to date, the price for 2004 is even higher. All the while, our government continues to depress inventory stocks by buying oil at these historic highs and then pouring it back into the ground to fill the strategic petroleum reserve.

The trucking industry also has suffered under high oil prices. Last year, the American Trucking Association urged the DOE to postpone filling the SPR when supplies were tight and prices high:

When the government becomes a major purchaser of oil, it only bids up the price exactly when we need relief. I know that you recently testified to Congress that the SPR fill has a negligible impact on the price of crude oil, but we politely disagree.

Many energy industry economists and analysts have stated that filling the SPR in a tight market increases prices.

Energy Economist Philip Verleger estimated that in 2003 the SPR program added $3 to $10 to the price of a barrel of oil.
Economist Larry Kudlow said:

Normally, in Wall Street parlance, you’re supposed to buy low and sell high, but in Strategic Petroleum Reserve actions, we’re buying higher and higher and that has really helped oil prices high.

In a May 2004 analysis, PFC Energy, a leading oil industry consulting firm, concluded:

The Bush Administration has actually been helping OPEC to keep spot prices high and avoid commercial stock increases by taking crude out of the market and injecting significant volumes into the SPR.

Last March, in an article explaining why oil prices are so high, The Economist commented:

Despite the high prices, American officials continue to buy on the open market to fill their country’s strategic petroleum reserves. Why buy, you might ask, when prices are high, and thereby keep them there? The Senate has asked that question as well. It passed a non-binding resolution this month calling on the Bush administration to stop Strategic Petroleum Reserve (SPR) purchases; but Spencer Abraham, the energy secretary, has refused. The Economist, March 27, 2004.

The administration continues to have its hands tied on the Strategic Petroleum Reserve, particularly with candidate Kerry’s ‘high ground’ proposal to suspend purchases put Bush in a ‘much worse’ position.

At a time when supplies are tight and prospects for improvement are grim, Bush continues to authorize the purchase of oil on the open market to support the strategic petroleum reserve. Bush is buying serious quantities of oil in a high-price market, helping to keep it that way. Thomas Oil—Blatant Bush Tilt Toward Big Oil, Boston Globe, April 6, 2004.

He pointed out that Senator Carl Levin, D-Mich., had a good idea earlier this month in proposing earlier this month cutting back the contribution level to the Strategic Petroleum Reserve, which Kerry said is 93 percent full. By reducing the inflow, it could provide a great deal more supply to help rein in prices a bit.” CBS MarketWatch, Gasoline, crude prices pull back, April 23, 2004, referring to the views of and quoting Kevin Kerr, director of Kewest Marked et.


Kudlow said the Bush administration could have stopped filling the SPR, saying “it’s not the best move to start filling the SPR when commercial inventories were at 36 weeks.” John Fadel, in Perception vs. reality, CBS MarketWatch, May 17, 2004.

Fadel said Bush’s decision to fill the nation’s Strategic Petroleum Reserve in the wake of the Sept. 11 attacks caused a crisis of confidence around the open market and led to a substantial increase in gasoline prices. “We looked at the impact of the 36 weeks of the Strategic Petroleum Reserve, which Kerr said is 93 percent full. By reducing the inflow, it could provide a great deal more supplies to help rein in prices a bit.” CBS MarketWatch, Gasoline, crude prices pull back, April 23, 2004, referring to the views of and quoting Kevin Kerr, director of Kewest Marked et.


Kudlow said the Bush administration could have stopped filling the SPR, saying “it’s not the best move to start filling the SPR when commercial inventories were at 36 weeks.” John Fadel, in Perception vs. reality, CBS MarketWatch, May 17, 2004.

Fadel said Bush’s decision to fill the nation’s Strategic Petroleum Reserve in the wake of the Sept. 11 attacks caused a crisis of confidence around the open market and led to a substantial increase in gasoline prices. “We looked at the impact of the 36 weeks of the Strategic Petroleum Reserve, which Kerr said is 93 percent full. By reducing the inflow, it could provide a great deal more supplies to help rein in prices a bit.” CBS MarketWatch, Gasoline, crude prices pull back, April 23, 2004, referring to the views of and quoting Kevin Kerr, director of Kewest Marked et.


Kudlow said the Bush administration could have stopped filling the SPR, saying “it’s not the best move to start filling the SPR when commercial inventories were at 36 weeks.” John Fadel, in Perception vs. reality, CBS MarketWatch, May 17, 2004.

Fadel said Bush’s decision to fill the nation’s Strategic Petroleum Reserve in the wake of the Sept. 11 attacks caused a crisis of confidence around the open market and led to a substantial increase in gasoline prices. “We looked at the impact of the 36 weeks of the Strategic Petroleum Reserve, which Kerr said is 93 percent full. By reducing the inflow, it could provide a great deal more supplies to help rein in prices a bit.” CBS MarketWatch, Gasoline, crude prices pull back, April 23, 2004, referring to the views of and quoting Kevin Kerr, director of Kewest Marked et.


Kudlow said the Bush administration could have stopped filling the SPR, saying “it’s not the best move to start filling the SPR when commercial inventories were at 36 weeks.” John Fadel, in Perception vs. reality, CBS MarketWatch, May 17, 2004.

Fadel said Bush’s decision to fill the nation’s Strategic Petroleum Reserve in the wake of the Sept. 11 attacks caused a crisis of confidence around the open market and led to a substantial increase in gasoline prices. “We looked at the impact of the 36 weeks of the Strategic Petroleum Reserve, which Kerr said is 93 percent full. By reducing the inflow, it could provide a great deal more supplies to help rein in prices a bit.” CBS MarketWatch, Gasoline, crude prices pull back, April 23, 2004, referring to the views of and quoting Kevin Kerr, director of Kewest Marked et.


Kudlow said the Bush administration could have stopped filling the SPR, saying “it’s not the best move to start filling the SPR when commercial inventories were at 36 weeks.” John Fadel, in Perception vs. reality, CBS MarketWatch, May 17, 2004.

Fadel said Bush’s decision to fill the nation’s Strategic Petroleum Reserve in the wake of the Sept. 11 attacks caused a crisis of confidence around the open market and led to a substantial increase in gasoline prices. “We looked at the impact of the 36 weeks of the Strategic Petroleum Reserve, which Kerr said is 93 percent full. By reducing the inflow, it could provide a great deal more supplies to help rein in prices a bit.” CBS MarketWatch, Gasoline, crude prices pull back, April 23, 2004, referring to the views of and quoting Kevin Kerr, director of Kewest Marked et.


Kudlow said the Bush administration could have stopped filling the SPR, saying “it’s not the best move to start filling the SPR when commercial inventories were at 36 weeks.” John Fadel, in Perception vs. reality, CBS MarketWatch, May 17, 2004.

Fadel said Bush’s decision to fill the nation’s Strategic Petroleum Reserve in the wake of the Sept. 11 attacks caused a crisis of confidence around the open market and led to a substantial increase in gasoline prices. “We looked at the impact of the 36 weeks of the Strategic Petroleum Reserve, which Kerr said is 93 percent full. By reducing the inflow, it could provide a great deal more supplies to help rein in prices a bit.” CBS MarketWatch, Gasoline, crude prices pull back, April 23, 2004, referring to the views of and quoting Kevin Kerr, director of Kewest Marked et.

June 22, 2005

CONGRESSIONAL RECORD—SENATE

S7063

Mr. Frist. I ask unanimous consent that there now be a period for morning business in the Senate, and that a period not to exceed 10 minutes be permitted any speak up to 10 minutes each.

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

REMEMBERING JUNETEENTH

Mr. Frist. Mr. President, this June 19th marked the 140th anniversary of Juneteenth, the day our Nation finally ended the immoral and heinous institution of slavery.

On June 19th, 1865, three years after President Lincoln issued his Emancipation Proclamation, a quarter million slaves living in Texas learned that they were free from Union General Gordon Granger.

He told the people of Texas: "That in accordance with a Proclamation from the Executive of the United States, all slaves in Texas are hereby declared free..."

The horror of Jim Crowe, lynching, and rampant discrimination still awaited those freed on Juneteenth. It would take 100 years almost to the day until Congress would finally put an end to political discrimination against Afri-Cans by passing the historic 1965 Voting Rights Act and completing the legislative program of the civil rights movement.

Juneteenth marked the end of the struggle against slavery and the beginning of the long struggle for civil rights.

For all Americans Juneteenth is a time to celebrate freedom: to reflect on it with picnics, concerts, festivals, seminars, and celebrations. It is a time of joy and a time to remember the achievements of African-Americans around our Nation.

Juneteenth should also be a time to celebrate and remember the men and women who brought us freedom and equality: The brave Union soldiers who fought so we could be men free; the civil rights pioneers who began a struggle they would not see to its end; and the great, historic generation of civil rights leaders who helped America "live out the true meaning of its creed" and brought legal equality to all Americans.

In commemoration of Juneteenth, I urge my colleagues to reflect on our freedom, acknowledge the legacy of slavery, and celebrate the achievements of the civil rights movement.

Mr. Pryor. Mr. President, on Saturday, June 18, 2005, Americans honored the 140th anniversary of Juneteenth, the oldest known celebration commemorating the abolition of slavery in the United States. This day celebrates African American freedom and gives us a chance to reflect upon our Nation's history, our present, and our hope for the future.

On June 19, 1865, MG Gordon Granger arrived in Texas to proclaim emancipation to Texas slaves. Though President Lincoln had delivered his Emancipation Proclamation more than 2 years earlier, this date marks the first time slaves in Texas and other surrounding States learned of their liberation. General Granger stated, "The people of Texas are informed that in accordance with a Proclamation from the Executive of the United States, all slaves are free. This involves an absolute equality of rights and rights of property between former masters and slaves, the connection heretofore existing between them becomes that between employer and free laborer."

The term "Juneteenth" is derived from a combination of the words "June" and "nineteenth", referring to the official date of the Texas announcement, although the holiday is now celebrated on the third Saturday of June.

Following their emancipation, Afri-Cans continued to confront immense hardships in the face of economic, social, and political disfranchisement imposed by a brutally repressive social system. In States such as Arkansas, the Jim Crow order relied on institutionalized racism to the social dominance of Whites and stifle the opportunity that Blacks desired and deserved. We recently revisited the horrors of mob violence, another tool in the repression of Blacks, as the Senate officially apologized for never taking Federal action against lynching over the decades of its practice.

Due to the prolonged struggle for freedom and equality for Black Americans, we recognize Juneteenth as both a victory over slavery and as a starting point in the ongoing fight for justice in America. Thanks to the courage and dedication of the participants in the civil rights movement, our Nation has progressed by leaps and bounds from the days of sharecropping, segregated classrooms, Ku Klux Klan violence, and lynchings. However, we must remain vigilant as we strive to ensure that every American is provided an equal opportunity to succeed now and in the future.

These were the ideas that people in Arkansas and all across our country reflected upon as they celebrated Juneteenth on Saturday. I am humbled as I reflect upon Juneteenth and pay tribute to the countless contributions African Americans have made in our country throughout history. Furthermore, I encourage all Americans to join me in remembering the struggles for dignity and racial equality in America and to recommit to fighting for equality in our schools, workplaces and in our communities.

And in doing so, let us strive for the strength of will and courage that were exemplified by Dr. Martin Luther King, Jr., as he shared this simple truth with the world: "Injustice anywhere is a threat to justice everywhere."

TRIBUTE TO PATRICK HENRY HUGHES

Mr. McConnell. Mr. President, today I honor a young and accomplished musician from my home State of Kentucky. Patrick Henry Hughes, a
17-year-old from Louisville, is the recipient of the 2005 VSA arts Panasonic Young Soloists Award, a national award reserved for young musicians with disabilities. Patrick has received the VSA arts of Kentucky Young Soloists Award yearly since 2001.

Patrick was born without eyes and is completely blind. He also has webbing in his arms and legs that prevent him from walking. These handicaps have not hampered his musical or intellectual ability, however, as Patrick is clearly a star on the rise.

An accomplished pianist and vocalist, Patrick performed at the John F. Kennedy Center for the Performing Arts on May 16, 2005. He has also performed at the Grand Ole Opry, and has been selected to perform in many All-State band and choral festivals, receiving several distinguished awards for each. Patrick currently studies with Hinda Ordman, a Juilliard graduate.

Clearly a talented musician, Patrick also strives scholastically. He is a junior at Atherton High School and participates in the international baccalaureate program where he has maintained a 3.99 grade point average. Patrick received the Presidential Award for Outstanding Academic Achievement from both President Bill Clinton and President George W. Bush.

I ask my colleagues to join me in recognizing Louisvillian Patrick Henry Hughes for his personal and musical accomplishments.

COMMITTEE ALLOCATION CLARIFICATION

Mr. GREGG. Mr. President, I submit for the Record a clarification to the Senate Committee Allocation tables published on pages 88 and 89 of House Report 109-62, the Report to accompany H. Con. Res. 95, the concurrent resolution on the budget for fiscal year 2006. The revised tables are consistent with committee allocation tables published in prior years’ conference reports on budget resolutions. The following tables display the clarified Senate Committee allocations.
HONORING OUR ARMED FORCES

TRIBUTE TO SPECIALIST CASEY BYERS

Mr. GRASSLEY. Mr. President, I rise today to pay tribute to an honorable soldier who has fallen in service to his country. Specialist Casey Byers of the 224th Engineer Battalion died on the 11th of June in Al Taqaddum, Iraq when an improvised explosive device detonated beneath his Humvee. Specialist Byers was a young native of Schleswig, IA, who was only 22 years old. I salute his patriotism and his sacrifice for the sake of freedom.

Specialist Byers was a proud American who joined the Iowa National Guard in 1999. He graduated from Ar-We-Va High School in 2001 where he participated in football and track and later attended Iowa Lakes Community College. Specialist Byers graduated from the combat engineer qualification course in July 2004 and volunteered for duty with the 224th in Iraq. This was his second tour of duty in the Middle East.

Casey Byers has earned the highest gratitude of the entire Nation and today I ask you to recognize him with the respect he deserves. His sacrifice reminds us of the incredibly high cost of ensuring freedom. My prayers go out to Ann and William Byers who grieve the loss of their son, Paul and Jennifer Byers who grieve a lost brother, and his infant daughter Hailey who grieves the absence of her father. I also extend my prayers to all of the family, friends, and neighbors of Casey who are touched by his passing. I ask my colleagues to join me and all Iowans in remembering Specialist Casey Byers. Such men as Casey Byers inspire us to hold in ever higher esteem the ideals of freedom and service. His valor shall certainly not be forgotten.

SGT. LEIGH ANN HESTER

Mr. KERRY. Mr. President, today I want to take this time to commend one of the many American heroes defending freedom around the world for her service and courage. Her act of bravery is worthy of the remembrance and recognition of a grateful nation.

On March 20 of this year, SGT Leigh Ann Hester was escorting a convoy near Salman Pak in Iraq, when over 50 insurgents ambushed her troops, raining fire from AK-47s and RPGs. On this fateful day, Sergeant Hester faced that fire with no fear of her own fate, risking her life to save others—and save lives she did. She led a successful counterattack, brought the convoy to safety, and earned the everlasting gratitude of her fellow soldiers and the undying respect of the American people.

And so a grateful nation has bestowed Sergeant Hester of the 617th Military Police Company with the Silver Star. She is the first woman to earn this honor since World War II. Sams Wilson received the medal for gallantry during the Battle of Anzio in World War II. Sergeant Hester’s heroism is more than worthy of this recognition. Her unwavering commitment to her fellow soldiers is a shining example of the exceptional courage that defines our brave soldiers across the world.

In winning the Silver Star, Sergeant Hester contributes to many legacies. She honors the legacy of generations of women who have served our Nation and the over 15,000 selfless women who have served so valiantly in Iraq and her bravery in the face of overwhelming adversity underscores the growing role of women in our Armed Services. She also continues the legacy of military service in her family. Her Uncle, Carl Sollinger, served honorably in Vietnam, and her grandfather, Oran Sollinger, was awarded a Bronze Star for his valor in World War II. Now, Sergeant Hester, a 23-year-old retail manager from Bowling Green, KY, seeks to expand on her own legacy of service with a career in law enforcement.

Sgt. Ann Hester has shown bravery in keeping with the finest traditions of service, courage, and heroism in our military. She is a special citizen, a role model, and a patriot. I call on my colleagues to join me in honoring her and in so doing honor every brave American, at home and abroad, who toils for freedom.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each day I have come to the floor to highlight a separate hate crime that has occurred in our country.

Last year in San Francisco, a male contacted an Asian gay man under the pretense of receiving a professional massage. Once inside the man’s residence, the suspect impersonated an undercover cop and pulled out a gun. He used a rope to tie the victim’s hands and ankles, then assaulted and robbed him. The case is being investigated as a hate crime.

I believe that the Government’s first duty is to defend its citizens, to defend against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

BOLTON NOMINATION

Mr. BURNS. Mr. President, I rise today in support of the nomination of John Bolton. As one of his legal advisors, I opposed his nomination. Unfortunately, I was unable to be here yesterday, when another vote was taken in regard to Mr. Bolton’s nomination. Had I been here, however, I would have voted in support of Mr. Bolton.

Despite recent controversy over this nomination, I still believe that John Bolton is a fine candidate for the position of ambassador to the United Nations. I have seen no credible information provided as a result of those concerns. Mr. Bolton is a qualified candidate for the job. His experience with the United Nations and his dedication to the cause of American foreign policy are skills that have served this country well.

In the last 4 years, Bolton has been instrumental in urging U.N. agencies to take steps to stop the spread of dangerous weapons, while calling on all member states to criminalize the proliferation of weapons of mass destruction. In the Moscow Treaty, which reduced our operational deployed nuclear weapons arsenal by two-thirds, John Bolton served as the principal negotiator. John Bolton helped construct the G8 Global Partnership, a global initiative to focus on safeguards and verification of nuclear programs. The G8 Global Partnership establishes a principle that countries under investigation will not be allowed to serve on the International Atomic Energy Agency.

In these times of atrocities against humanity, an honest, functioning U.N. is needed. I think John Bolton will help the U.N. head in that direction. I do hope to have an opportunity to work with John in that capacity and know he would serve tirelessly and thoughtfully in the many challenges ahead.

RUSSIAN ‘‘PROFILES IN COURAGE’’ HIGH SCHOOL ESSAY CONTEST

Mr. KENNEDY. Mr. President, on May 31, the first edition in Russian of ‘‘Profiles in Courage,’’ was published, and to mark the occasion, Ambassador in Moscow, Alexander Veinberg, held a reception at the U.S. Embassy. As part of the occasion, the Embassy honored the winner of a ‘‘Profiles in Courage’’ essay contest organized by the Embassy, in which Russian high school students were encouraged to write essays on political leaders who showed extraordinary political courage of the kind described by my brother in
his book. The contest was conducted under the Public Diplomacy Program of the Embassy, and I commend the State Department and the Ambassador for this inspiring initiative.

The author of the winning essay is Ivan Dmitriyevich Yevstafyev, a 15-year-old student in the ninth grade at the Second School Lyceum in Moscow. His essay, “Genius and Villain,” describes how Anatoly Chubais took on and carried out the immense responsibility for the vast economic reform under President Yeltsin that privatized much of the Russian economy during the 1990s. He knew that his actions would be unpopular, but he believed very deeply that the reforms served the national interest in moving Russia toward democracy, and as the essay states, he carried them out with extraordinary courage.

The “villain” in the title refers to the intense controversy over the phase of the program that privatized the energy sector. Charges of corruption and insider dealing relating to the rise of the oligarchs—hence the essay’s reference to President Yeltsin’s remark, “It’s all Chubais’ fault.”

The essay has been translated into English, as I find it extremely inspiring. I am sure President Kennedy would be proud of Mr. Yevstafyev and his impressive essay, and proud of the Embassy for reaching out to young Russians in this appealing way and encouraging their appreciation of the importance of political courage in pursuing the path to a better future for their nation.

I believe the essay will be of interest to all our colleagues in Congress, and I ask unanimous consent that it may be printed in the RECORD.

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

Genius and Villain

By Ivan Dmitriyevich Yevstafyev

I would like to write about Anatoly Chubais, a politician of extraordinary civic courage who was strong enough to remain true to himself and stay on the road he had chosen despite the pressure of circumstances. I am aware that the figure I have chosen is ambiguous and sometimes unpopular. “Genius and villainy do not go together.” This phrase has been used so often that it has become commonplace. But we have to admit that Chubais, together with the team of “The Young Reformers,” is an economic villainy, and the villainy is not due to the evil actions of a surgeon who mercilessly cuts a gangrenous limb to save a patient’s life.

Chubais is not popular because of his perceived “cynicism.” In my opinion, he just openly talks about problems and complications that accompany every victory. He does not promise wonders. But the “shock therapy” without the use of anesthesia cannot be popular by definition.

In the fall of 1991, when Yegor Gaidar wanted to become the head of the Department of Privatization, the future minister and deputy head of government asked, “Do you realize that, regardless of the result, you will become the head of the Ministry of Health and the Ministry of Labor, because for them I will be the man who sold Russia and who sold it the wrong way?” It was a rhetorical question, of course. Gaidar had no doubt that Chubais would accept responsibility.

I think that taking upon oneself the responsibility for carrying out the necessary, but extremely unpopular action on a national scale, and performing it efficiently and quickly, demands from a politician and a leader an impression that her contemporaries are not able to appreciate the importance of his actions.

Through his privatization Chubais was not only making a bourgeois revolution that was virtually bloodless, but every day he made history that was “sold” piping hot together with the companies. For him enormous pressure from his opponents, Chubais managed to solve two problems of privatization: he made the process irreversible, and he took care of the patriotic interests of the Russians, and carried out the privatization, making compromises with all concerned parties to keep the society peaceful. As a result, by the middle of 1994, an organizational miracle occurred: the “voucher privatization” was over. Two-thirds of property became private. The time for a monetary stage had come.

The use of Beginnings of “shares-for-Ioans” auctions was put into effect. As a result, the state budget received one billion dollars that contributed to the financial stabilization to come. Thanks to the auction system, big industrial enterprises received their owners. The ten interceding years have shown that these owners are efficient.

“When someone accuses us of taking the ‘pearls of the Russian Imperial Crown’ and giving them out, we disagree,” explains Chubais. “These so-called ‘pearls’ were nothing—complete failures. Thanks to privatization, these industrial ruins were turned into pearls of the new Russian market economy. The privates obey their general. You can call Chubais an outstanding manipulator, but his presence is more important than political profit. Besides, he is just a brave man: only a person of integrity and courage could tell Vladimir Putin that he and the Russian people are wrong about the issue of Stalin’s anthem.”

As the head of United Energy Systems, he took upon himself the role of formulating and voicing the negative reaction of Russian business to the arrest of Mikhail Khodorkovsky on October 25, 2003. The clear impression was made that the bosses of business had already happened in 1996 and 1998. Perhaps, that’s how it was. But Chubais stated that it was his “inner decision.”

Chubais knew that we could not clean the Augean stables of gloomy epochs and lost opportunities do not always enjoy a good reputation among their contemporaries. Thirteen years ago, several people sacrificed their reputations by taking responsibility for changes in the country.

Chubais continues to work. His achievements are spread in time and therefore do not clearly stand out. His goal is to turn Russia into a market democracy. One criterion for evaluating Chubais is the country that we have now and the one we will have much longer. While still in college, Chubais has known the importance of public service and sworn in as Senator. However, she has soon found herself serving as executive director for Patrice Bolling and Melissa Moody.
director of the State party. Patrice then returned to Washington to serve as the scheduler, executive assistant and legislative assistant on the staff of Congressman Marion Berry of Arkansas. I personally came to know Patrice here and was forgiven me. Since that time, I have found Patrice to be an invaluable asset to my staff; so much so that earlier this year she became our office’s operations director. Patrice’s leadership in helping establish my Washington, DC office was instrumental. While I am sad to see Patrice leave my staff, I am proud of what she has helped our office accomplish in the past 2½ years. I am confident she will prove as valuable in her new position with a top advertising firm in Austin, TX, and I wish her nothing but the best of luck.

Melissa Moody has been involved in public service to the State of Arkansas since her graduation from the University of Arkansas. She too worked for Senator Bumpers as an intern and as a staff member before returning to Arkansas to pursue a law degree. Although she had not yet finished her studies at the University of Arkansas, Melissa accepted my invitation to join my staff in the Arkansas attorney general’s office during my term there. It was there that I saw what an outstanding attitude and work ethic she possesses. She later became my scheduler during my Senate campaign and later returned to Washington as my executive assistant. From the time I met Melissa 6 years ago, she has proven herself to be a dedicated, organized, hardworking, and caring employee. While the demands of her position could be overwhelming to some, she has always remained levelheaded. Her concern for others, her sense of humor, and her consistent optimism have made her a role model for others, her sense of humor, and her consistent optimism have made her a role model for others, her sense of humor, and her consistent optimism have made her a role model for others.

ADDITIONAL STATEMENTS

CONGRATULATIONS TO ELISABETH JANE FISHER

- Mr. CRAIG. Mr. President, I would like to take this opportunity to congratulate Elizabeth Jane Fisher of Boise, ID. She has been named as one of eight national finalists for the Richard T. Farrell Teacher of Merit Award. Ms. Fisher is being recognized for her ability to develop and use creative methods to make history interesting for her students. As a teacher at Riverstone Community School in Boise, she helps to cultivate exciting discoveries about the past. Her countless hours devoted to the Idaho National History Day have helped to promote an educationally stimulating experience for her dedicated students. She is committed to helping students develop their interests in history and recognize their achievements. I am heartened by the fact that there are educators who devote much time and effort to shaping the minds of our young people. Teachers educate the future leaders of our country. I am happy to recognize one such teacher who truly is making a difference. Again, let me congratulate the Fisher for this accomplishment. I wish her all the best as she continues her efforts in educating the children of Idaho.

POSTAL REFORM

Mr. BURNS. Mr. President, I would like to take a few minutes to make some remarks on S. 662, the Postal Accountability and Enhancement Act of 2005. I have decided to support this legislation and I urge my colleagues to do the same. I have heard from Montana’s postmasters, rural letter carriers, and customers that the U.S. Postal Service faces several long-term financial challenges that must be fixed.

In the last 5 years alone, first class mail, which accounts for over half of all postal revenue, has dropped dramatically. As different ways of communicating emerge, like using e-mail, the Postal Service will continue to struggle to maintain universal service. This bill guarantees universal service, and as a rural State, Montana relies on this assurance. The Postal Service is the only service provider available in many parts of Montana and allows residents to stay in contact with folks across the country and the world.

This bill helps resolve the problems with the escrow account. By releasing these funds, the Postal Service would be able to minimize rate increases, help pay off debt owed to the U.S. Treasury, and assist funding health care obligations for their employees.

Recently, a Montanan called me saying, “If something is not done to preserve the Postal Service, I, along with 3000 Postal employees in Montana, will lose our jobs. We will lose, Montana will lose and most of all, America will lose.” Mr. President, I agree, and I urge my colleagues to vote in favor of the Postal Accountability and Enhancement Act of 2005.

CELEBRATING ROTARY INTERNATIONAL’S 100TH ANNIVERSARY

- Mr. FEINGOLD. Mr. President, today I want to take a moment to pay tribute to Rotary International, an organization that celebrates its 100th anniversary this week in Chicago. Paul P. Harris’ establishment of the original Chicago chapter heralded an era of philanthropic activity and community building that has flourished throughout the world over the last century. The extenuous public service stands as an example of what we can accomplish through organization and commitment to the common good.

Since its inception, our nation has relied on the cooperation of disparate communities to achieve common goals. Rotary Clubs provide a critical forum of communication for leaders from a wide variety of backgrounds to share information and ideas. Through Rotary, men and women from myriad professions can share thoughts from their distinct perspectives. These perspectives are what give this great organization and the world.

Without a doubt, one of those great accomplishments has been Rotary International’s work, begun in 1985, to eradicate polio through its PolioPlus program. Thanks to the efforts of Rotarians worldwide, the Western Hemisphere, Europe, and the Western Pacific have been declared polio-free. Rotary’s continuing success combating polio provides hope to the world’s health community as we struggle against the ravages of disease. I am proud to be an original co-sponsor of S. Res. 62, a resolution supporting the goals and ideals of a “Rotary International Day” and celebrating and honoring Rotary International on the occasion of its centennial anniversary. Last Congress, I was also pleased to be the lead Democratic co-sponsor of S. Con. Res. 111, a resolution expressing the sense of the U.S. Congress that a commemorative stamp should be issued in honor of the centennial anniversary of Rotary International and its work to eradicate this disease.

In addition to Rotary’s work to combat polio, the organization also provides indispensable support to students. The Rotary Student of the Month program consistently encourages high school students to become leaders in their schools and communities, while the Rotary scholarship program provides funds for deserving students.

The list of Rotary’s contributions to our communities goes on and on. I join people across the U.S., and around the world this year who honor Rotary’s many accomplishments as this organization celebrates 100 years of service. I would like to offer my heartfelt congratulations and best wishes for the organization’s next 100 years.
CONGRATULATING CHRISTINE HENNEBERG

- Mrs. FEINSTEIN. Mr. President, today I wish to congratulate Christine Henneberg of Palo Alto, CA, for winning Second Prize in the prestigious Elle Wiesel Prize in Ethics Essay Contest. This represents a tremendous achievement, and I am pleased to recognize her today.

Rooted in the memory of the Holocaust, Elle Wiesel and her husband, Marion, started the Elle Wiesel Foundation for Humanity to combat indifference, intolerance, and injustice through international and domestic programs. Each year, they sponsor the Prize in Ethics Essay Contest to challenge college students to analyze the urgent ethical issues confronting them in today’s world. Now in its 17th year, the contest encourages our Nation’s students to submit personal essays that raise questions, single out issues, and are compelling arguments for ethical action.

As a senior at Pomona College in California, Christine entered the national essay contest under the sponsorship of Pomona College Professor of Philosophy N. Ann Davis. In her prize winning essay, “The God on my Grandfather’s Table,” Christine explores the role of the elderly in our society and the implications of the unfortunate and frequent negative perception of the elderly.

Chosen from over hundreds of essays from more than 200 colleges and universities nationwide, Christine’s work demonstrates her tremendous maturity and devotion to important issues facing our society.

Christine now plans to attend medical school. I want to wish her the best there and in all she does. She has made our great State proud, and I am happy to commend her today.

UTAH’S GOLF AMBASSADOR TO THE WORLD

- Mr. HATCH. Mr. President, I want to take a few moments to honor one of the State of Utah’s finest men and an ambassador for golf throughout the world. On May 29, 2005, Mike Reid won the 66th Senior PGA tournament at Laurel Valley Golf Club in Ligonier, PA.

Mike won this event in dramatic fashion. As he strode to the 18th hole, he was three shots down to the leader, Jerry Pate. This hole was a par five that called for a long shot over water if you dared to try and hit the green in two. Two years ago, when he left the 14th hole in the clubhouse at 8 under par with Mike at 6 under par and Jerry Pate at 9 under par. Mike had to gamble and went for the green in two. He was able to stick a three iron about 20 feet below the hole and then made a dramatic eagle to go 8 under par and tie Mike when he started visiting Washington, DC, to play in the Kemper Open. Ever since then, our friendship has continued, and Mike has been gracious enough to donate his time to the charity golf tournament I host each year for the Utah Families Foundation.

Mike is a humble soul, a man who made movies that his whole family could watch and someone willing to walk away from his movie career to serve his nation during World War II; second, Jimmy Stewart shared a spot on a list of pilots receiving medals that included Mike’s own father, a B-17 pilot. Mike is a Senior PGA by jumping right back on the leader board at the Allianz Open in Iowa the following week. At the end of the second day he had a two-stroke lead and eventually finished third. True to his form, he then went to Colorado to support his son, Daniel, while he played in a junior golf tournament.

The fact that Mike played in the Senior PGA Tournament says much about Mike and his family. As they looked at the schedule, they realized that the Senior PGA Championship was being played on the weekend that his oldest son, Daniel, was graduating from Orem High School, and it was his daughter’s birthday. The family talked and urged Mike to play that week. Daniel told him that he would rather caddy for his dad than walk across a stage for a minute, but Mike assured him that it was more important for him to be there.

Mike then took the week off before the Senior PGA to spend with his family.

Mike is a devoted father, a quality best represented by a quote he gave to Sports Illustrated: “I can live without winning golf championships, but it would be hard to look in the mirror if I was a crummy dad. I’m not going to let golf own me again. This is the type of athlete that all of us are proud to call a hero, someone that has his life in perspective and knows the real things that surround us each day.”

I congratulate Mike Reid on his victory at the Senior PGA and I know that we will be seeing much more of Mike on the leader boards of future events.

MESSAGES FROM THE HOUSE

At 11:34 a.m., a message from the House of Representatives, delivered by Mr. Nick Rahall, one of the House’s former Chairs, announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R.2475. An act to authorize appropriations for fiscal year 2006 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.


The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 180. Concurrent resolution recognizing the historical significance of Juneteenth Independence Day, and expressing the sense of Congress that history should be regarded as a means of understanding the past and solving the challenges of the future.

H. Con. Res. 180. Concurrent resolution to support initiatives developed by the Firefighter Life Safety Summit and the mission of the National Fallen Firefighters Foundation and the United States Fire Administration to reduce firefighter fatalities and injuries, to encourage implementation of the new “Everyone Goes Home” campaign to make firefighter safety a national priority, and to support the goals of the national “stand down” called by fire organizations.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2475. An act to authorize appropriations for fiscal year 2006 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Committee on the Judiciary.

H. Con. Res. 180. Concurrent resolution recognizing the historical significance of Juneteenth Independence Day, and expressing the sense of Congress that history should be regarded as a means of understanding the past and solving the challenges of the future; to the Committee on Intelligence.

The following concurrent resolution were read, and referred as indicated:

H. Con. Res. 180. Concurrent resolution recognizing the historical significance of Juneteenth Independence Day, and expressing the sense of Congress that history should be regarded as a means of understanding the past and solving the challenges of the future; to the Committee on the Judiciary.

H. Con. Res. 180. Concurrent resolution to support initiatives developed by the Firefighter Life Safety Summit and the mission of the National Fallen Firefighters Foundation and the United States Fire Administration to reduce firefighter fatalities and injuries, to encourage implementation of the
new “Everyone Goes Home” campaign to make firefighter safety a national priority, and to support the goals of the national “stand down” called by fire organizations; to the Committee on Commerce, Science, and Transportation.

MEASURES PLACED ON THE CALENDAR

The following joint resolution was read the first and second times by unanimous consent, and placed on the calendar:


EXECUTIVE AND OTHER COMMUNICATIONS

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

EC-2689. A communication from the Director, Office of the Secretaries Management, Department of Energy, transmitting, pursuant to law, the report of a draft bill entitled “Lowell National Historical Park Boundary Adjunct Act” received on June 17, 2005; to the Committee on Energy and Natural Resources.

EC-2690. A communication from the Acting Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a draft bill entitled “Migratory Bird Permits; Determination that Falconry Regulations for the State of Connecticut Meet Federal Standards” (RIN1018-AT70) received on June 16, 2005; to the Committee on Energy and Natural Resources.

EC-2691. A communication from the Acting Chair, Federal Subsistence Board, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Subsistence Management Regulations for Public Lands in Alaska, Subpart C and D—2005-2006 Subsistence Taking of Wildlife Regulations” (RIN1018-AT770) received on June 16, 2005; to the Committee on Energy and Natural Resources.

EC-2692. A communication from the Acting Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of the letter (lower half); to the Committee on Armed Services.

EC-2693. A communication from the Acting Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled “17 CFR Part 1—Investment of Customer Funds and Record of Investments” (RIN3038-AC15) received on June 21, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2694. A communication from the Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled “In the Matter of the New York Mercantile Exchange, Inc. Petition to Extend Interpretation Pursuant to Section 1a(12(C) of the Commodity Exchange Act” received on June 21, 2005; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2695. A communication from the Under Secretary of Defense for Environmental Management, the designation of an Acting Assistant Secretary for Environmental Management, and the name of a nominee to fill the vacancy; to the Committee on Energy and Natural Resources.

EC-2696. A communication from the Under Secretary of Defense, Acquisition, Technology, and Logistics, Department of Defense, transmitting, pursuant to law, a report relative to the Defense Base Closure and Realignment Act of 1990, as amended; to the Committee on Armed Services.

EC-2697. A communication from the Under Secretary of Defense, Acquisition, Technology, and Logistics, Department of Defense, transmitting, pursuant to law, a report relative to the Defense Base Closure and Realignment Act of 1990, as amended; to the Committee on Armed Services.

EC-2698. A communication from the Under Secretary of Defense, Acquisition, Technology, and Logistics, Department of Defense, transmitting, pursuant to law, a report relative to the Defense Base Closure and Realignment Act of 1990, as amended; to the Committee on Armed Services.

EC-2699. A communication from the Under Secretary of Defense, Acquisition, Technology, and Logistics, Department of Defense, transmitting, pursuant to law, a report relative to the Defense Base Closure and Realignment Act of 1990, as amended; to the Committee on Armed Services.

EC-2700. A communication from the Director of Defense Research and Engineering, Department of Defense, transmitting, pursuant to law, the Annual Report of the Strategic Environmental Research and Development Program; to the Committee on Armed Services.

EC-2701. A communication from the Publications Control Officer, Department of the Army, Department of Defense, transmitting, pursuant to law, the report of a rule entitled “Motor Vehicle Traffic Supervision” (RIN0702-AA43) received on June 16, 2005; to the Committee on Armed Services.

EC-2702. A communication from the Principal Deputy for Personnel and Readiness, Office of the Under Secretary of Defense, Department of Defense, transmitting, pursuant to law, a report of the authorization to wear the insignia of the grade of rear admiral (lower half); to the Committee on Armed Services.

EC-2703. A communication from the Acting Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 03–62; to the Committee on Appropriations.

EC-2704. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 03–62; to the Committee on Appropriations.

EC-2705. A communication from the General Counsel, Office of Federal Housing Enterprise Oversight, Department of Housing and Urban Affairs, transmitting, pursuant to law, the report of a vacancy in the position of Director, Office of Federal Housing Enterprise Oversight, received on June 18, 2005; to the Committee on Banking, Housing, and Urban Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INHOFE, from the Committee on Environment and Public Works, with amendments:

S. 260. A bill to authorize the Secretary of the Interior to provide technical and financial assistance to private landowners to re-store, enhance, and manage private land to improve fish and wildlife habitats through the Partners for Fish and Wildlife Program (Rept. No. 109–86).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR for the Committee on Foreign Relations:

* Emil A. Skodon, of Illinois, to be Ambassador to Brunei Darussalam.
* Nominee: Emil M. Skodon.

Post: Brunei Darussalam.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:

1. Self: None.
2. Spouse: Dorothea Skodon: None.
3. Children and Spouses: Catherine Skodon: None; Christine Skodon: None.
5. Grandparents: Jan Skodon: Deceased; Mary Skodon: Deceased; Francis Soltes Decease.
6. Brothers and Spouses: None.
7. Sisters and Spouses: None.

* Joseph A. Mussomeli, of Virginia, to be Ambassador to the Kingdom of Cambodia.
* Nominee: Joseph Adamo Mussomeli.


The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:

1. Self: 0.
2. Spouse: 0.
3. Children and Spouses: 0.
4. Parents: N/A.
5. Grandparents: N/A.
6. Brothers and Spouses: 0.
7. Sisters and Spouses: 0.

* Larry Miles Dinger, of Iowa, to be Ambassador to the Republic of Fiji Islands, and to serve concurrently and without additional compensation as Ambassador to the Republic of Nauru, the Kingdom of Tonga, Tuvalu, and the Republic of Kiribati.
* Nominee: Larry Miles Dinger.

Post: Ambassador to Fiji, Kiribati, Nauru, Tonga, and Tuvalu.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:

1. Self: None.
2. Spouse: Paula Gaffey Dinger: None.
3. Children and Spouses: Cristina Maria Dinger: None; James Thomas Dinger: None; William Lyle Dinger: None.
4. Parents: Lyle Dinger (deceased); Claudine Miles Dinger (deceased).
5. Grandparents: William and Estelle Miles (deceased); William and Christina Dinger (deceased).
6. Brothers and Spouses: John and Michelle Dinger: None; Glen and Elizabeth Dinger (brother deceased).
7. Sisters and Spouses: Jan and Daniel Duggan: None.

*Ronald E. Neumann, of Virginia, to be Ambassador to the Islamic Republic of Afghanistan.
Nominee: Ronald E. Neumann.
The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:
1. Self: Ronald E. Neumann: None.
2. Spouse: Margaret Elaine Neumann: None.
3. Children and Spouses: Brian Neumann: None; Helen Neumann: None.
4. Parents: Robert G. Neumann (deceased): N/A; Marlen Eldridge (deceased): N/A.
5. Grandparents: N/A.
7. Sisters and Spouses: N/A.

*Gregory L. Schulte, of Virginia, to be Representative of the United States of America to the Vienna Office of the United Nations, with the rank of Ambassador.
*Gregory L. Schulte, of Virginia, to be Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.
Nominee: Gregory L. Schulte.
Post: U.N.—Vienna.
The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:
1. Self: None.
5. Grandparents: Edward and Esther Schulte (deceased); Dietrich and Louise Matthew (deceased); None.
7. Sisters and Spouses: None: N/A.

*Michael E. Hess, of New York, to be an Assistant Administrator of the United States Agency for International Development.
*Dina Habib Powell, of Texas, to be an Assistant Secretary of State (Educational and Cultural Affairs).
By Ms. COLLINS for the Committee on Homeland Security and Governmental Affairs.
A. Noel Anketell Kramer, of the District of Columbia, to be an Associate Judge of the District of Columbia Court of Appeals for the term of fifteen years.
Laura A. Cordero, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.
*Linda M. Springer, of Pennsylvania, to be Director of the Office of Personnel Management for the term of four years.

Nomination was reported with recommendation that it be confirmed subject to the nominee’s commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.
(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:
By Ms. STabenow (for herself and Mr. Larsen):
S. 1286. A bill to designate the Federal building located at 335 Mt. Elliott Street in Detroit, Michigan, as the “Rosa Parks Federal Building”; to the Committee on Environment and Public Works.
By Mr. Kennedy (for himself and Mr. Corzine):
S. 1286. A bill to require States to report data on Medicaid beneficiaries who are employed; to the Committee on Finance.
By Mr. Coleman (for himself and Ms. Landrieu):
S. 1287. A bill to amend the definition of independent student for purposes of the need analysis in the Higher Education Act of 1965 to include older adopted students; to the Committee on Health, Education, Labor, and Pensions.
By Mr. Wyden (for himself and Mr. Akaka):
S. 1288. A bill to authorize the Secretary of the Interior to enter into cooperative agreements to protect natural resources of units of the National Park System through collaborative efforts on land inside and outside the units of the National Park System; to the Committee on Energy and Natural Resources.
By Ms. Mikulski (for herself, Mrs. Clinton, Mr. Kennedy, Mrs. Murray, Mrs. Boxer, Ms. Cantwell, and Mr. Barrasso):
S. 1289. A bill to provide for research and education with respect to uterine fibroids, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:
By Mr. Lott (for himself, Mr. Dodd, Mr. Frist, Mr. Reid, Mr. Stevens, Mr. Durbin, Mr. Cochran, and Mr. Allard):
S. Res. 179. A resolution to provide for oversight over the Capitol Visitors Center by the Architect of the Capitol, to the Committee on Rules and Administration.

ADDITIONAL COSPONSORS

S. 37
At the request of Mrs. Feinstein, the names of the Senator from Virginia (Mr. Warner), the Senator from Alaska (Mr. Stevens) and the Senator from Oklahoma (Mr. Coburn) were added as cosponsors of S. 37, a bill to extend the special postage stamp for breast cancer research for 2 years.
S. 241
At the request of Ms. Snowe, the name of the Senator from Alaska (Ms. Murkowski) was added as a cosponsor of S. 241, a bill to amend section 254 of the Communications Act of 1934 to provide that funds received as universal service contributions and the universal service support programs established pursuant to that section are not subject to certain provisions of title 31, United States Code, commonly known as the Antideficiency Act.
S. 333
At the request of Mr. Lugar, the name of the Senator from Colorado (Mr. Salazar) was added as a cosponsor of S. 333, a bill to improve authorities to address urgent nonproliferation crises and United States nonproliferation operations.
S. 419
At the request of Mr. Kyl, the name of the Senator from Georgia (Mr. Chambliss) was added as a cosponsor of S. 419, a bill to amend the Internal Revenue Code of 1986 to modify the treatment of qualified restaurant property as 15-year property for purposes of the depreciation deduction.
S. 426
At the request of Mr. Bond, the name of the Senator from New York (Mr. Schumer) was added as a cosponsor of S. 426, a bill to amend the Public Health Service Act to provide for arthritis research and public health, and for other purposes.
S. 441
At the request of Mr. Frist, his name was added as a cosponsor of S. 441, a bill to amend the Internal Revenue Code of 1986 to make permanent the classification of a motorsports entertainment complex.
S. 593
At the request of Ms. Collins, the name of the Senator from Oklahoma (Mr. Coburn) was added as a cosponsor of S. 593, a bill to amend title VII of the Tariff Act of 1930 to provide that the provisions relating to countervailing duties apply to nonmarket economy countries.
S. 611
At the request of Ms. Collins, the name of the Senator from Minnesota (Mr. Coleman) was added as a cosponsor of S. 611, a bill to establish a Federal Medical Services and a Federal Interagency Committee on Emergency Medical Services and a Federal Interagency Committee on Emergency Medical Services Advisory Council, and for other purposes.
S. 614
At the request of Mr. Specter, the name of the Senator from Georgia (Mr. Chambliss) was added as a cosponsor of S. 614, a bill to amend title 38, United States Code, to permit Medicare-eligible veterans to receive an out-patient medication benefit, to provide that certain veterans who receive such benefit are not otherwise eligible for medical care and services from the Department of Veterans Affairs, and for other purposes.
S. 633
At the request of Mr. Johnson, the name of the Senator from Florida (Mr.
and improve health-care outcomes, and for other purposes.

S. 919

At the request of Mr. Burns, the name of the Senator from Idaho (Mr. Crapo) was added as a cosponsor of S. 919, a bill to amend title 48, United States Code, to provide efficient rail service and reasonable rail rates, and for other purposes.

S. 956

At the request of Mr. Grassley, the name of the Senator from Texas (Mr. Cornyn) was added as a cosponsor of S. 956, a bill to amend title 18, United States Code, to provide assured punishment for violent crimes against children, and for other purposes.

At the request of Mr. Baucus, the name of the Senator from Hawaii (Mr. Inouye) was added as a cosponsor of S. 1002, a bill to amend title XVIII of the Social Security Act to provide for a minimum update for physicians’ services for 2006 and 2007.

S. 1002

At the request of Mr. Kyl, the name of the Senator from Kentucky (Mr. Bunning) was added as a cosponsor of S. 1081, a bill to amend title XVIII of the Social Security Act to provide for a minimum update for physicians’ services for 2006 and 2007.

S. 1081

At the request of Mr. Bunning, the name of the Senator from Alaska (Mr. Stevens) was added as a cosponsor of S. 1088, a bill to establish streamlined procedures for collateral review of mixed petitions, amendments, and defaulted claims, and for other purposes.

S. 1088

At the request of Mr. Lott, the name of the Senator from Minnesota (Mr. Coleman) was added as a cosponsor of S. 1109, a bill to amend title XVIII of the Social Security Act to provide payments to Medicare ambulance suppliers of the full cost of furnishing such services, to provide payments to rural ambulance providers and suppliers to account for the cost of serving areas with low population density, and for other purposes.

S. 1109

At the request of Mr. Baucus, the name of the Senator from Vermont (Mr. Leahy) was added as a cosponsor of S. 1112, a bill to make permanent the enhanced educational savings provisions for qualified tuition programs enacted as part of the Economic Growth and Tax Relief Reconciliation Act of 2001.

S. 1112

At the request of Mr. Lugar, the names of the Senators from Florida (Mr. Martinez) and the Senator from New York (Mrs. Clinton) were added as cosponsors of S. 1108, a bill to establish streamlined procedures for collateral review of mixed petitions, amendments, and defaulted claims, and for other purposes.

S. 1108

At the request of Mr. Levin, the name of the Senator from Hawaii (Mr. Akaka) was added as a cosponsor of S. 1109, a bill to authorize appropriations for certain development banks, and for other purposes.

S. 1109
At the request of Mr. Kennedy, the name of the Senator from New Jersey (Mr. Lautenberg) was added as a co-sponsor of S. Res. 173, a resolution expressing support for the Good Friday Agreement of 1998 as the blueprint for lasting peace in Northern Ireland.

**AMENDMENT NO. 799**

At the request of Mr. Voinovich, the name of the Senator from New Jersey (Mr. Corzine) was added as a co-sponsor of amendment No. 799 proposed to H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy.

**AMENDMENT NO. 800**

At the request of Mr. Kohl, the name of the Senator from Wisconsin (Mr. Feingold) was added as a cosponsor of amendment No. 800 intended to be proposed to H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy.

**AMENDMENT NO. 801**

At the request of Mr. Smith, the name of the Senator from Utah (Mr. Hatch) was added as a cosponsor of amendment No. 801 intended to be proposed to H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy.

**STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS**

By Ms. Stabenow (for herself and Mr. Levin):

S. 1285. A bill to designate the Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, as the “Rosa Parks Federal Building”; to the Committee on Environment and Public Works.

Ms. STABENOW. Mr. President, I rise today to introduce legislation that will designate the Federal building located at 333 Mt. Elliott Street in Detroit, MI, as the “Rosa Parks Federal Building.” I want to thank Senator Levin for joining me on this bill.

On December 1, 1955, Mrs. Parks left work in her hometown of Montgomery, AL, and boarded a bus headed for home. When the bus became crowded, she was ordered by the bus driver to give up her seat to a white male passenger. She refused. Mrs. Parks was arrested, and 4 days later the Montgomery Bus Boycott began. The Boycott lasted for over a year until the Montgomery busses were officially desegregated in December of 1956.

Rosa Parks is simply one courageous woman who did what she believed was fair and right. She is a testament to the power of an individual willing to fight for her beliefs. Her actions set the Civil Rights Movement in motion and set a precedent for protest without violence. I would like to thank Rosa Parks for her contribution to freedom and justice for all men and women in this country. Her actions changed the course of history.

Rosa Parks moved to Detroit in 1957. In 1977 she and Elaine Easton Steel founded the Rosa and Raymond Parks Institute for Self-Development in Detroit to offer guidance to young African Americans. She still calls Detroit home and has lived there for nearly 50 years. Nicknamed the ‘Mother of Civil Rights’, she received the Presidential Medal of Freedom in 1996—the highest civilian award this Nation can bestow. Naming the building that currently houses the Federal Homeland Security office in Detroit is but one more way for our Nation to recognize and thank Mrs. Parks for her contribution to our country. It is an honor she richly deserves, and one I urge my colleagues to support.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

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

S. 1285

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

SECTION 1. DESIGNATION.

The Federal building located at 333 Mt. Elliott Street in Detroit, Michigan, shall be known and designated as the “Rosa Parks Federal Building”.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the “Rosa Parks Federal Building”.

Mr. LEVIN. Mr. President, I am proud to join with Senator Stabenow in introducing legislation to name the Federal building located at 333 Mt. Elliott Street in Detroit, MI, in honor of Mrs. Rosa Parks, “mother of the civil rights movement.” I also want to commend Representative Carolyn Cheeks Kilpatrick for her leadership in sponsoring this initiative last week in the House.

Rosa Parks is an American heroine. When this gentle warrior decided that she would no longer tolerate the humiliation and demoralization of racial segregation on a bus in Montgomery, AL, her act of defiance launched the modern civil rights movement in America. By refusing to move to the back of that bus, she inspired a yearlong, citywide bus boycott by African Americans in Montgomery that led to a Supreme Court decision outlawing segregation on buses and introduced a young local leader named Martin Luther King to the Nation. It was a turning point in American history that challenged the conscience of the country and the world.

Rosa Parks’ stand that day was not an isolated incident but part of a lifetime struggle for equality and justice. Twelve years earlier, for instance, she had been arrested for violating another segregation law, which required African Americans to pay their fares at the front of the bus and then re-board from the rear. In the years that followed her solitary protest, she was a prominent figure in the civil rights movement. In 1957, she and co-founder Raymond Parks Institute for Self-Development, which continues to offer young people hands-on opportunities to learn about civil rights in America.

Although Rosa Parks will be forever associated with the events in Montgomery, AL, she lived most of her life in my home State of Michigan. She came to Detroit under sad circumstances—harassment and threats on her life—but she built a new life there. We in Michigan are proud to call her one of our own, and we want to recognize her enormous contributions by renaming this federal building in her honor. Appropriately, the building is a historic one, built in 1855 and used as a hospital during the Civil War. This legislation will ensure that the proud legacy of Rosa Parks is properly recognized in Michigan, and I urge my colleagues to support this bill.

By Mr. Kennedy (for himself and Mr. Corzine):

S. 1286. A bill to require States to report data on Medicaid beneficiaries who are employed; to the Committee on Finance.

Mr. KENNEDY. Mr. President, it’s an honor to join Senator Corzine and Congressman Weiner to introduce the Health Care Accountability Act.

Americans believe that a fair day’s work should bring a fair day’s pay. That’s the American dream. But that’s not the case at Wal-Mart. Somehow, the biggest company in the world can’t manage to pay its workers a living wage. Thousands of workers in Wal-Mart can’t afford health insurance and have to rely on Medicaid to cover their families’ health needs.

We are here today to say there is no place for that kind of corporate citizenship in America. It is time for Wal-Mart, the Nation’s largest employer, to act responsibly. The company prides itself on selling products at rock-bottom prices. Last year, it raked in $10 billion in profits, up 13 percent from 2003. It is no mystery why Wal-Mart does so well—it buys its goods overseas and pays its 1.6 million employees next to nothing to sell them. Yet Wal-Mart just keeps getting bigger as its wages fall farther and farther behind.

We see the same effect throughout the economy. Companies are making huge profits on the backs of their employees. Since the end of the recession, profits are up more than 70 percent nationally, yet wages are stagnant. More and more of what the economy produces is going to business profits, and less to workers, than at any time since such records became 1929. There is plenty for the Executive Suite, but it is time for a fair share for employees’ pay and benefits, too.
We all end up footing the bill when employers refuse to pay a living wage. Many companies are making record-breaking profits, yet they shift millions of dollars in health costs to the public. In 15 States where data are available, Wal-Mart employees are receiving almost $200 million in Federal and State health benefits. Massachusetts spent almost $3 million last year to provide health Care to 3,000 Wal-Mart workers and their families.

The bill we announce today begins to hold businesses accountable. All it asks is that States disclose the number of employees in large companies who receive State medical assistance, and the cost to the States for providing that care.

Massachusetts was the first State to mandate such a study. The first report, released in February, found that the State was paying $53 million for health care for, employees at some of the largest, most profitable firms—including Dunkin Donuts, Stop & Shop, and Wal-Mart.

Medicaid and CHIP provide a critical safety net for low-income women and children, the disabled, and the elderly. They should not also have to underwrite the profits for large companies like Wal-Mart.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1286

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

SECTION 1. SHORT TITLE. This Act may be cited as the “Health Care Accountability Act”.

SEC. 2. STATE REQUIREMENT TO REPORT DATA ON MEDICAL BENEFICIARIES WHO ARE EMPLOYED.

(a) Reporting Requirement.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) as amended in the first paragraph—

(1) by striking “and” at the end of paragraph (66); and

(2) by striking the period at the end of paragraph (67) and inserting “; and”;

(b) Effective Date.—The amendments made by subsection (a) shall apply with respect to 2006 and each subsequent year.

(c) Initial Report.—Not later than July 1, 2006, the Secretary of Health and Human Services shall provide for an initial mid-year report by each State with a State plan approved under title XI or XIX of the Social Security Act of the information described in section 1902(a)(68) of such Act, as added by subsection (a).

(d) Rule of Construction.—Nothing in this Act shall be construed as superseding requirements for the protection of patient privacy provided for under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d-2 note), under part C of title XI of the Social Security Act, or under any other provision of Federal law.

By Mr. COLEMAN (for himself and Ms. LANDRIEU):

S. 1287. A bill to amend the definition of independent student for purposes of the need analysis in the Higher Education Act of 1965 to include older adopted students; to the Committee on Health, Education, Labor, and Pensions.

Mr. COLEMAN. Mr. President, as United States Senator, we are well aware of the difficulty in making tough decisions. But, a tough decision for a thirteen-year-old foster care child shouldn’t be choosing between being adopted and having a permanent loving, stable, and secure family, or attending college for a promising future.

Today, I am proud to be joined by my friend, Senator MARY LANDRIEU from Louisiana in introducing the Fostering Adoption To Further Student Achievement Act because we believe all youth deserve both a loving family and a future of hope.

Our legislation promotes older adoptions of foster care youth by not later penalizing the adopting family when their student applies for student Federal financial aid.

We’ve heard from former foster teens across our Nation who have stated that they were better off “aging” out of the foster care system than being adopted by a family because of a fear of losing Federal financial aid because as a foster student they don’t have to report any parental income on their student financial aid application.

Our legislation provides a solution by amending the definition of “independent student” to include foster care youth who are adopted after the age of thirteen in the Higher Education Act of 1965. Thus, the family and student would not be penalized on their Federal financial aid as their classification would be determined by only the student’s ability to pay. Most prospective adopting parents would not have financially planned for an older teen becoming part of their family. Our legislation offers an incentive to promote older adoptions rather than having the teen stay in foster families until they “age out.”

The numbers are startling and its time we act. Currently, 20,000 youth “age” out of the foster care system each year with 30 percent of these youth incarcerated within 12 months of doing so. There are 523,000 children in foster care with nearly half the kids over the age of 10. Children in foster care are twice as likely as the rest of the population to drop out before finishing high school. Several foster care alumni studies indicate that within three years after leaving foster care: only 51 percent had earned their high school diploma, only 14 percent had graduated from a four-year college, and 44 percent had experienced homelessness.

Statistics show youth that are adopted out of the foster care system attend college, have stable lives, have a permanent family, and have a future of hope. One to two years of community college coursework significantly increases the likelihood of economic self-sufficiency. A college degree is the single greatest factor in determining access to better job opportunities and higher earnings.

The Fostering Adoption To Further Student Achievement Act ensures that children don’t have to make a tough decision between choosing to have a family or an education.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1287

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

SECTION 1. SHORT TITLE. This Act may be cited as the “Fostering Adoption To Further Student Achievement Act”.

SEC. 2. AMENDMENT TO INDEPENDENT STUDENT. Section 480(d) of the Higher Education Act of 1965 (20 U.S.C. 1070v(d)) is amended—

(1) in paragraph (6), by striking “or” after the semicolon;

(2) in paragraph (7), by striking the period at the end and inserting “; or”;

(3) by adding at the end following: “(B) was adopted from the foster care system when the individual was 13 years of age or older.”;

By Mr. WYDEN (for himself and Mr. AKAKA):

S. 1288. A bill to authorize the Secretary of the Interior to enter into cooperative agreements to protect natural resources of units of the National Park System through collaborative efforts on land inside and outside of units of the National Park System; to the Committee on Energy and Natural Resources.

Mr. WYDEN. Mr. President, today I introduce legislation to authorize the Secretary of the Interior to enter into cooperative agreements to protect National Parks through collaborative efforts on lands inside and outside of National Park System units.

This legislation is based on very successful watershed protection legislation enacted for the Forest Service and the Bureau of Land Management, now
commonly referred to as the Wyden amendment. The Wyden amendment, first enacted in 1998 for fiscal year 1999, has resulted in countless Forest Service and Bureau of Land Management cooperative agreements with neighboring State and local land owners to accomplish high priority restoration, protection and enhancement work on public and private lands. It has not required additional funding, but has allowed the agencies to leverage their scarce restoration dollars thereby allowing the federal dollars stretch further.

The legislation I introduce today will allow the Park Service to use a similar authority to attack natural threats to National Parks, such as invasive weeds, before they cross onto Parks’ land. The National Park Service tells me that if they have to wait until the weeds hit the Parks before treating them the costs for treatment rise exponentially and the probability of beating the weeds back drop exponentially. I ask unanimous consent that examples of projects the National Park Service would with this authority, as well as the groups with which they would partner be printed in the RECORD. I am pleased that Senator AKAKA is joining me as an original cosponsor of this legislation and I hope my other colleagues will join me as cosponsors of this legislation and in ensuring its swift passage.

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

POTENTIAL COOPERATIVE PROJECTS ADJACENT TO OR NEARBY NPS LANDS:

STATE: ALABAMA

Exotic Plants
Park Unit: Russell Cave National Monument. Partner: Alabama Department of Game and Fish. Projects/Pest: Autumn olive.

STATE: ALASKA

Exotic Plants
Park Unit: Denali National Park and Preserve. Partner: Private landowner and Alaska Department of Transportation. Projects/Pest: Remove multiple species from an isolated location in Kantishna White sweet clover along the Park’s Highway.

STATE: ARIZONA

Wetlands
Park Unit: Lake Mead National Recreation Area. Partners: State, Private landowners, NGO’s. Project/Pest: Prevent irrigation canal seepage causing slumping/wasting of fossil resources and impacts to Snake River.

STATE: CALIFORNIA

Exotic Plants

STATE: COLORADO

Exotic Plants
Park Unit: Dinosaur National Monument. Partner: Utah State land. Project/Pest: Numerous projects to stabilize, mitigate or restore land disturbances affecting runoff and erosion processes.

STATE: DISTRICT OF COLUMBIA

Exotic Plants
Park Unit: National Capitol Area East. Partners: Local municipalities. Projects/Pest: Various exotic plants along park boundaries.

STATE: GEORGIA

Exotic Plants

STATE: HAWAII

Exotic Plants
Park Unit: Kalalau Valley. Partner: Private landowners. Projects/Pest: Miconia Fountain Grass, Bocconia, Pampas Grass.

STATE: IDAHO

Geologic Resources

STATE: ILLINOIS

Aquatic Resources
Park Unit: Golden Gate National Recreation Area. Partners: Private and Public lands. Projects/Pest: Work with City/College and others to facilitate movement of listed butterfly between two separated NPS parcels.

STATE: KENTUCKY

Exotic Plants
Park Unit: Mammoth Cave National Park. Partners: Private landowner and State University. Project/Pest: Garlic mustard.

STATE: MASSACHUSETTS

Exotic Plants
Park Unit: Minute Man National Historical Park. Partners: Local municipalities. Projects/Pest: Variety of exotic plants along boundaries of park.

STATE: MICHIGAN

Native Species
Park Unit: Crane State Park. Partners: Local municipalities. Projects/Pest: Scattered spotted knapweed and thistle in shared drainages with the park.

STATE: MONTANA

Exotic Plants

STATE: NEVADA

Exotic Plants
Park Unit: Lake Mead National Recreation Area. Partners: Private, State, Private Business. Project/Pest: Virgin River, Las Vegas Wash, Muddy River,
tall whitetop, Russian knapweed, camelthorn, and tamarisk.

**STATE: NEW JERSEY**

**Aquatic Resources**
- Park Unit: Morristown National Historical Park. Partners: Private landowners. Project/Pest: Develop and implement in concert with private landowners best management practices to reduce pesticide and storm water runoff to Primrose Creek which contains a genetically pure stock of native brook trout.
- STATE: NEW MEXICO

**Exotic Plants**

**STATE: NEW YORK**

**Exotic Plants**
- Park Unit: Gateway National Recreation Area Partners: State agency. Projects/Pest: Oriental bittersweet invading from park into state lands.

**STATE: NORTH CAROLINA**

**Exotic Plants**

**STATE: OKLAHOMA**

**Exotic Plants**

**STATE: OREGON**

**Exotic Plants**

**STATE: PENNSYLVANIA**

**Exotic Plants**
- Park Unit: Upper Delaware Scenic and Recreational River. Partners: Local municipalities, private landowners. Projects/Pest: Mainly Japanese knotweed along Delaware River and tributaries.

**Aquatic Resources**
- Park Unit: Valley Forge National Historical Park. Partners: Private landowners. County/State governments, non-profit groups. Project/Pest: Implement Valley Creek Restoration Plan and EA which identifies management strategies and restoration opportunities within the watershed and outside the park including the retrofitting of 24 detention basins, creation of 30 ground water infiltration sites, re-vegetation of miles of eroding stream banks, and planting of riparian buffers throughout the watershed.

**STATE: TENNESSEE**

**Exotic Plants**
- Park Unit: Big South Fork National River and Recreation Area. Partners: Tennesseee Division of Forestry and Tennessee State Parks. Project/Pest: Multi-flora rose and Privet.

**STATE: TEXAS**

**Exotic Plants**
- Park Unit: Big Bend National Park. Partners: State and local government, private landowners and County of Mexico. Project/Pest: Tamarisk along Rio Grande River Drained.

**STATE: UTAH**

**Exotic Plants**

**STATE: VIRGINIA**

**Exotic Plants**
- Park Unit: Colonial National Historical Park. Partners: NGO Colonial Williamsburg Foundation, Projects/Pest: kudzu, English ivy, and tree of heaven straddling common boundary.

**STATE: WASHINGTON**

**Exotic Plants**

**Aquatic Resources**
- Park Unit: Olympic National Park. Partners: Private lands, State lands and U.S. Fish and Wildlife Service lands. Project/Pest: Cooperatively characterize aquifer parameters such as storage and transmission coefficients, monitor ground water levels, spring flow river flow, and other data to determine response of aquifer to water withdrawals.

**STATE: WEST VIRGINIA**

**Exotic Plants**
- Park Unit: Appalachian National Scenic Trail. Partners: Private owners of trail lands. Projects/Pest: Variety of exotic plants coming into easements along the trail—major problem throughout the length of this linear park.

**STATE: WYOMING**

**Aquatic Resources**

By Ms. MIKULSKI (for herself, Mrs. CLINTON, Mr. KENNEDY, Mrs. MURRAY, Mrs. BOXER, Ms. CANTWELL, and Mr. SARBANES): S. 1289. A bill to provide for research and education with respect to uterine fibroids, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Ms. MIKULSKI. Mr. President, I rise to introduce the Uterine Fibroid Research and Education Act of 2005. This bill would increase funding for research on uterine fibroids as well as create an education awareness campaign to make sure women and their doctors have the facts they need about this painful, chronic condition. I want to thank Representative STEPHANIE TURBS JONES for introducing this legislation in the House of Representatives and Senator CLINTON, KENNEDY, DURBA, CANTWELL, BOXER, and SARBANES for joining me as original cosponsors.

Uterine fibroids are a major health issue for American women. It is estimated that three in every four women have uterine fibroids. Although many women with fibroids have few or no symptoms, it is projected that one in every four women seeks medical care for the heavy bleeding, pain, infertility, or miscarriage that uterine fibroids cause.

Despite their prevalence, little is known about uterine fibroids, and few good treatment options are available to women who suffer from them. In fact, the Agency for Healthcare Research and Quality at the Department of Health and Human Services found "a remarkable lack of high quality evidence supporting the effectiveness of most interventions for symptomatic fibroids. More than 200,000 women undergo a hysterectomy each year to treat their uterine fibroids. Women deserve better. That's why I am introducing the Uterine Fibroid Research and Education Act—to find new and better ways to treat or even cure uterine fibroids.

This bill does three things. First, it expands research at the National Institutes of Health, NIH, by doubling funding for uterine fibroids from $15 million to $30 million. This funding will provide the investment needed to have the basic research, and lay the groundwork to find a cure. This additional funding will help researchers find out why so many women get uterine fibroids, why African American women are disproportionately affected, what steps women can take to prevent uterine fibroids, and what the best ways to treat them are.

Second, this legislation coordinates research on uterine fibroids through
the Office of Research on Women's Health, ORWH. More than a decade ago, I fought to create this Office at NIH to give women a seat at the table when decisions were made about funding priorities. This bill directs this Office to lead the Federal Government’s research Office for Uterine fibroids. A coordinated research effort is needed to make the best use of limited resources and to give women a one-stop shop to find out what the federal government is doing to combat uterine fibroids.

Finally, I introduced education campaigns for patients and health care providers. A recent survey conducted by the Society for Women’s Health Research, cited as many as one-third of women who have hysterectomies do so without discussing potential alternatives with their doctors. This bill will make sure women can count on their doctors for information about the best possible treatment for uterine fibroids. It will also give women the facts they need to make good health care decisions and take control of their health.

Since my first days in Congress, I have been fighting to make sure women don’t get left out or left behind when it comes to their health. From women’s inclusion in clinical trials to quality standards for mammograms, I have led the way to make sure women’s health needs are treated fairly and taken seriously. This legislation builds on these past successes to address this silent epidemic among American women.

The Uterine Fibroid Research and Education Act is supported by the American College of Obstetricians and Gynecologists, the Society for Women’s Health Imparative. I look forward to working with these advocates and my colleagues to get this bill signed into law.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 179—TO PROVIDE FOR OVERSIGHT OVER THE CAPITOL VISITORS CENTER BY THE ARCHITECT OF THE CAPITOL.

Mr. LOTT (for himself, Mr. DODD, Mr. FAHRT, Mr. REID, Mr. STEVENS, Mr. DURBIN, Mr. COCHRAN, and Mr. ALLARD) submitted the following resolution; which was referred to the Committee on Rules and Administration:

Resolved,

SECTION 1. CAPITOL VISITOR CENTER.

(a) IN GENERAL.—The Architect of the Capitol shall have the responsibility for the facilities management and operations of the Capitol Visitor Center.

(b) EXECUTIVE DIRECTOR.—The Architect of the Capitol may appoint an Executive Director of the Capitol Visitor Center whose annual rate of pay shall be determined by the Architect of the Capitol and shall not exceed $1,500 less than the annual rate of pay for the Architect of the Capitol.
SA 879. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 880. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 881. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 882. Mr. DODD (for himself and Mr. Lieberman, Mr. Bingaman, Ms. Landrieu, Mr. Voinovich, Ms. Stabenow, and Mr. Voinovich) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 883. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 884. Mr. ROCKEFELLER (for himself, Mr. Bingaman, and Mr. Bunning) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 885. Ms. CANTWELL (for herself, Mr. Graham, Mrs. Murray, Mr. Smith, Mr. Bingaman, Mr. Inouye, Mr. Bunning, and Mrs. Hutchison) submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 886. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 887. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 888. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 889. Ms. SNOWE (for herself and Mr. Stevens) submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 890. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 891. Mr. DOMENICI (for himself, Mr. Bingaman, Ms. Landrieu, Mr. Vitter, Mr. Lott, Mr. Enzi, Mr. Hollings, and Mrs. Hutchison) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 892. Mr. SALAZAR submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 893. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 894. Mr. SALAZAR submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 895. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 896. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 897. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 898. Ms. LEVIN (for himself and Ms. Stabenow) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 899. Mr. ENZI submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 900. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 901. Ms. SNOWE (for herself and Mr. Burns) submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 902. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 903. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 904. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 905. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 906. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 907. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 908. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 909. Mr. ALEXANDER (for himself, Mr. Warner, Ms. Landrieu, Mr. McCain, Mr. Allen, Mr. Voinovich, and Mr. Brownback) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 910. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 911. Mr. INHOFE (for himself and Mr. Cornyn) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 912. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 913. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 914. Ms. LANDRIEU (for herself and Mr. Shelby) submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 915. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 916. Mr. JEFFORDS (for himself and Mr. Lautenberg) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 917. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 918. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 919. Mr. HARKIN (for himself, Mr. Lugar, Mr. Obama, Mr. Coleman, and Mr. Voinovich) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 920. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 921. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 922. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 923. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 924. Mr. INOUYE submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 925. Mr. BOND (for himself, Mr. Levin, Ms. Stabenow, and Mr. Voinovich) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 926. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 927. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 928. Mr. LEVIN (for himself and Mr. Alexander) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 929. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 930. Mr. LEVIN (for himself and Mr. Bayh) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 931. Mr. LEVIN (for himself and Mr. Bayh) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 932. Mr. LEVIN (for himself and Mr. Bayh) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 933. Mr. GRASSLEY (for himself and Mr. Baucus) submitted an amendment intended to be proposed by him to the bill H.R. 6, supra.

SA 934. Mr. GREGG submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 935. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 936. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 937. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 938. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 939. Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 940. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 6, supra; which was ordered to lie on the table.

SA 941. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill H.R. 6, supra; which was ordered to lie on the table.
(3) **STUDY AREA.**—The term “study area” means the State of Michigan.

(b) **STUDY.—**

(1) **IN GENERAL.**—The Secretary, in consultation with the State, the State historic preservation officer, local historical societies, State and local economic development, tourism, and parks and recreation offices, and other agencies and organizations, shall conduct a special resource study of the study area to determine—

(A) the potential economic and tourism benefits of preserving State maritime heritage resources;

(B) suitable and feasible options for long-term protection of significant State maritime heritage resources; and

(C) the manner in which the public can best learn about and experience State maritime heritage resources.

(2) **REQUIREMENTS.**—In conducting the study under paragraph (1), the Secretary shall—

(A) review Federal, State, and local maritime resource inventories and studies to establish the context, breadth, and potential for interpretation and preservation of State maritime heritage resources;

(B) examine the potential economic and tourism impacts of protecting State maritime heritage resources;

(C) recommend management alternatives that are consistent with the State’s long-term resource protection and providing for public enjoyment of State maritime heritage resources;

(D) address how to assist regional, State, and local partners in efforts to increase public awareness of and access to the State maritime heritage resources;

(E) identify sources of financial and technical assistance available to communities for the conservation and interpretation of State maritime heritage resources; and

(F) address ways in which to link appropriate national parks, State parks, waterways, monuments, parkways, communities, national and State historic sites, and regional or local heritage areas and sites into a Michigan Maritime Heritage Destination Network.

(3) **REPORT.**—Not later than 18 months after the date on which funds are made available to carry out the study under paragraph (1), the Secretary shall submit to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report that describes—

(A) the results of the study; and

(B) any findings and recommendations of the Secretary.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section $500,000.

**SA 843.** Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

> At the appropriate place insert the following:

SEC. __. **TREATMENT OF ELECTRONIC WASTE AS A QUALIFIED RECYCLABLE MATERIAL FOR THE PURPOSES OF RECYCLABLE EQUIPMENT CREDIT.**

(a) **IN GENERAL.**—Section 45M(c)(2) of the Internal Revenue Code of 1986 (relating to credits for qualified recycling equipment), as added by title XV, is amended by inserting “or electronic waste (including any cathode ray tube, flat panel screen, or similar video display screen size greater than 4 inches measured diagonally, or a central processing unit)” after “aluminum”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

**SA 844.** Mr. KERRY (for himself, Mr. BIDEN, Mrs. FEINSTEIN, and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

> On page 768, after line 20, add the following:

**TITLE XV—CLIMATE CHANGE**

**SEC. 1501. SENSE OF THE SENATE REGARDING THE NEED FOR THE UNITED STATES TO TAKE LEADERSHIP ON GLOBAL CLIMATE CHANGE.**

(a) **FINDINGS.**—The Senate finds that—

(1) there is a scientific consensus, as established by the Intergovernmental Panel on Climate Change and confirmed by the National Academy of Sciences, that the continued buildup of anthropogenic greenhouse gases in the atmosphere threatens the stability of the global climate;

(2) there are significant long-term risks to the economy, the environment, and the security of the United States and the world associated with extreme weather events and climatic disruptions that are projected to result from increased greenhouse gas concentrations;

(3) the United States, as the largest economy in the world, is currently the largest greenhouse gas emitter;

(4) the greenhouse gas emissions of the United States are projected to continue to rise;

(5) the greenhouse gas emissions of developing countries are rising more rapidly than the emissions of the United States and will soon surpass the greenhouse gas emissions of the United States and other developed countries;

(6) reducing greenhouse gas emissions to the levels necessary to avoid serious climatic disruption requires the introduction of new energy technologies and other practices, the use of which results in low or no emissions of greenhouse gases or in the capture and storage of greenhouse gases;

(7) the development and sale of such technologies by all countries that are major emitters of greenhouse gases, consistent with the principle of common but differentiated responsibilities;

(8) establishing flexible international mechanisms to minimize the cost of efforts by participating countries; and

(9) enacting and implementing effective and comprehensive national policies to achieve significant long-term reductions in greenhouse gas emissions in the United States; and

(b) **SENSE OF THE SENATE.**—It is the sense of the Senate that the United States should act to reduce the health, environmental, and economic risks posed by global climate change and foster sustained economic growth through a new generation of technologies by—

(1) participating in international negotiations under the Convention with the objective of securing United States participation in fair and binding agreements that—

(A) advance and protect the economic interests of the United States;

(B) establish mitigation commitments by all countries that are major emitters of greenhouse gases, consistent with the principle of common but differentiated responsibilities;

(C) establish flexible international mechanisms to minimize the cost of efforts by participating countries; and

(D) achieve a significant long-term reduction in global greenhouse gas emissions;

(2) enacting and implementing effective and comprehensive national policies to achieve significant long-term reductions in greenhouse gas emissions in the United States; and

(c) **establishing a bipartisan Senate observer group, the members of which shall be designated by the majority leader and minority leader of the Senate, to—**

(A) monitor any international negotiations on climate change; and

(B) ensure that the advice and consent function of the Senate is exercised in a manner to facilitate timely consideration of any future applicable treaty submitted to the Senate.

**SA 845.** Ms. STABENOW (for herself and Mrs. BOXER) submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

> At the end of the bill, add the following:

**TITLE XV—ANTI-CONSUMER GASOLINE PRICING AND MARKETING PRACTICES INVESTIGATION**

**SEC. 1501. INVESTIGATION BY FEDERAL TRADE COMMISSION.**

Not later than 60 days after the date of enactment of this Act, the Federal Trade Commission shall conduct an investigation and report to Congress on whether the increase in gasoline prices is the result of market manipulation and whether there is price discrimination with respect to gasoline. The investigation shall include an analysis of manipulation and price gouging on both the national and regional levels.

**SA 846.** Mr. BAUCUS submitted an amendment intended to be proposed by
him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Page 296, after line 25, add the following:

SEC. 347. LEASE EXCHANGES ON THE ROCKY MOUNTAIN FRONT.

(a) FINDINGS.—Congress finds that—

(1) the Rocky Mountain Front in the State of Montana, bordered by Glacier National Park, wilderness, and the Blackfeet Indian Reservation, is—

(A) the last intact wild places in the lower 48 states;

(B) home to prized populations of elk, deer, bighorn sheep, grizzly bears, multiple bird species, and other diverse wildlife; and

(C) highly valued by the local community and the State of Montana as a vital recreation, hunting, and fishing destination;

(2) the Badger-Two Medicine area of the Front is sacred ground to the Blackfeet Indian Tribe;

(3) past attempts to carry out oil and gas development in the Front have met with limited or no success and as of the date of enactment of this Act it has been more than a decade since any development activity actually occurred in the Front; and

(4) in order to promote and enhance the recovery of the domestic oil and gas reserves of the United States in the most efficient manner possible, Congress should encourage holders of leases in the Front to cancel the leases in exchange for incentives to carry out oil and gas production activities in more readily available and appropriate areas.

(b) DEFINITIONS.—In this section:

(1) BADGER-TWO MEDICINE AREA.—The term “Badger-Two Medicine Area” means the Forest Service land located in—

(A) T. 31 N., R. 12-13 W.;

(B) T. 30 N., R. 11-13 W.;

(C) T. 29 N., R. 10-15 W.; and

(D) T. 28 N., R. 10-14 W.

(2) BLACKLEAF AREA.—The term “Blackleaf Area” means the Federal land owned by the Forest Service and Bureau of Land Management that is located in—

(A) T. 27 N., R. 9 W.;

(B) T. 26 N., R. 9-10 W.;

(C) T. 25 N., R. 8-10 W.; and

(D) T. 24 N., R. 8-9 W.

(3) ELIGIBLE LESSEE.—The term “eligible lessee” means a lessee under a nonproducing lease.

(4) NONPRODUCING LEASE.—The term “nonproducing lease” means a Federal oil or gas lease that—

(A) in existence and in good standing on the date of enactment of this Act; and

(B) located in the Badger-Two Medicine Area or the Blackleaf Area.

(5) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

(6) STATE.—The term “State” means the State of Montana.

(c) OPPORTUNITIES FOR CANCELLATION NONPRODUCING LEASES.—

(i) regulations establishing a methodology for determining the fair market value of nonproducing leases, including consideration of established standards and practices in the oil and gas industry; and

(ii) such other regulations as are necessary to carry out this section; and

(b) IDENTIFY LEASE TRACTS AVAILABLE IN THE STATE FOR EXCHANGE UNDER PARAGRAPH (A).

(2) SUSPENSION OF LEASES IN THE BADGER-TWO MEDICINE AREA.—In consideration of the options under paragraph (1), the terms of nonproducing leases in the Badger-Two Medicine Area shall be suspended for a 3-year period beginning on the date of enactment of this Act.

(5) SUNSET.—The authority provided under this subsection terminates on December 31, 2009.

(d) GRANTS TO SUPPORT SUSTAINABLE ECONOMIC DEVELOPMENT.—

(1) IN GENERAL.—The Secretary of the Interior may accept grants from entities eligible for grants under section 8103 of the Internal Revenue Code of 1986, in an amount equal to the fair market value of the interest in oil and gas leasing activity in the Badger-Two Medicine Area or the Blackleaf Area, in order to support sustainable economic development in Teton County.

(2) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under paragraph (1) for any taxable year exceeds the limitation imposed by section 26(a) of the Internal Revenue Code of 1986 for such taxable year reduced by the sum of the credits allowable under subsection (A) of part IV of chapter 1 of such Code, such excess shall be carried to the succeeding taxable year and added to the credit allowable under paragraph (1) for such taxable year.

(e) TAX CREDIT.—(1) IN GENERAL.—In the case of an eligible lessee who makes an election under subsection (c), there shall be allowed as a credit against the tax imposed by chapter 1 of the Internal Revenue Code of 1986 for the taxable year an amount equal to the fair market value of the interest in oil and gas leasing activity which is canceled pursuant to this section.

(2) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under paragraph (1) for any taxable year exceeds the limitation imposed by section 26(a) of the Internal Revenue Code of 1986 for such taxable year reduced by the sum of the credits allowable under subsection (A) of part IV of chapter 1 of such Code, such excess shall be carried to the succeeding taxable year and added to the credit allowable under paragraph (1) for such taxable year.

(f) VALUATION OF LEASE.—For purposes of this subsection, the fair market value of a nonproducing lease shall be determined by the Secretary in consultation with the Secretary of the Treasury in accordance with regulations prescribed by the Secretary of the Treasury.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 348. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

TITLE XVI—REPEAL OF DEATH TAX

SEC. 1601. REPEAL OF DEATH AND GENERATION-SKIPPING TRANSFER TAXES ACCELERATION PROVISIONS TO 2009.

(a) DEATH TAX REPEAL.—

(1) IN GENERAL.—Section 2210 of the Internal Revenue Code of 1986 (relating to termination of the death tax) is hereby repealed.

(2) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Section 2651 of such Code (relating to termination of the generation-skipping transfer tax) is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) DEATH TAX REPEAL.—

(A) Section 2010(c) of such Code is amended—

(i) by striking “December 31, 2009” and inserting “December 31, 2005” both places it appears;

(B) by striking “January 1, 2010” in subsection (b) and inserting “January 1, 2006”, and

(C) by striking “December 31, 2020” in subsection (b) and inserting “December 31, 2015”, and

(2) GENERATION-SKIPPING TRANSFER TAX REPEAL.—Section 2641 of such Code (relating to termination of the generation-skipping transfer tax) is hereby repealed.

(3) CONFORMING AMENDMENTS.—

(A) The table contained in section 2010(c) of such Code is amended—

(i) by inserting a period after “$1,500,000”, and

(ii) by striking the last 2 items.

(B) Section 1014(f) of such Code is amended by striking “December 31, 2009” and inserting “December 31, 2005”.

(C) Section 1022 of such Code is amended—

(i) by striking “December 31, 2009” in subsection (a) and inserting “December 31, 2005”, and

(ii) in subsection (d)(4)(A)—

(I) by striking “2010” and inserting “2005”, and

(II) by striking “2009” in clause (ii) and inserting “2005”, and

(iii) by striking “December 31, 2005” in subsection (d)(4)(B) and inserting “December 31, 2006”.

(D) The table contained in section 2001(c)(2)(B) of such Code is amended—
(i) by inserting a period after “47 percent”, and
(ii) by striking the last 2 items.
(E) Section 2001(c)(2)(A) of such Code is amended by striking “2010” and inserting “2006”.
(F) The item in the table of sections for part II of chapter 1 of section 41 of such Code is amended by inserting “December 31, 2009” and inserting “December 31, 2005”.
(G) Section 501(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16) is amended by striking “December 31, 2009” and inserting “December 31, 2005”.
(H) Paragraph (3) of section 511(f) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16) is amended by striking “December 31, 2009” and inserting “December 31, 2005”.
(I) Paragraph (2) of section 521(e) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16) is amended by striking “December 31, 2009” and inserting “December 31, 2005”.
(J) Subsection (f) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16) is amended by striking “December 31, 2009” and inserting “December 31, 2005”.

SA 851. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table, as follows:

SEC. 706. JOINT FLEXIBLE FUELS/HYBRID VEHICLE COMMERCIALIZATION INITIATIVE.
(a) Definitions.—In this section:
(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—
(A) a for-profit corporation;
(B) a nonprofit corporation; or
(C) an institution of higher education.
(2) PROGRAM.—The term ‘program’ means the applied research program established under subsection (b).
(b) Establishment.—The Secretary shall establish an applied research program to improve technologies for the commercialization of—
(1) a combination hybrid/flexible fuel vehicle; or
(2) a plug-in hybrid/flexible fuel vehicle.
(c) Grants.—In carrying out the program, the Secretary shall provide grants that give preference to proposals that—
(1) achieve a reduction in miles per gallon of petroleum fuel consumption;
(2) achieve not less than 250 miles per gallon of petroleum fuel consumption; and
(3) have the greatest potential of commercialization to the general public within 5 years.
(d) Verification.—Not later than 90 days after the date of enactment of this Act, the Secretary shall publish in the Federal Register procedures to verify—
(1) the hybrid/flexible fuel vehicle technologies to be demonstrated; and
(2) that grants are administered in accordance with this section.
(e) Report.—Not later than 260 days after the date of enactment of this Act, and annually thereafter, the Secretary shall submit to Congress a report that—
(1) identifies the grant recipients;
(2) describes the technologies to be funded under the program;
(3) assesses the feasibility of the technologies described in paragraph (2) in meeting the goals described in paragraph (1); and
(4) identifies applications submitted for the program that were not funded; and
(f) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, to remain available until expended—
(1) $3,000,000 for fiscal year 2005;
(2) $7,000,000 for fiscal year 2006;
(3) $10,000,000 for fiscal year 2007; and
(4) $20,000,000 for fiscal year 2008.

SA 852. Mrs. LINCOLN (for herself and Mr. SANTORUM) submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table, as follows:

SEC. 707. DESIGNATION OF FUEL ECONOMY PENALTIES FOR FUEL ECONOMY RESEARCH.
(a) In General.—Chapter 329 of title 49, United States Code, is amended by inserting after section 32915 the following new section:

SEC. 32915A. USE OF FUEL PENALTIES FOR FUEL ECONOMY RESEARCH.
("(a) Establishment of Account.—Not later than 180 days after the date of enactment of the Energy Policy Act of 2005, the Secretary of the Treasury shall establish an account in the Treasury of the United States consisting of—
"("(1) such amounts as are collected as civil penalties imposed under section 32912 of this title after the date of enactment of the Energy Policy Act of 2005; and
"("2) such amounts as were collected as civil penalties imposed under section 32912 of this title before the date of enactment of the Energy Policy Act of 2005 and that remain unapplied on such date; and
"("3) such amounts as may be appropriated to the account; and
"("4) any interest earned on investment of amounts in the account.

(b) Expenditures From Account.—On request by the Secretary of Transportation, the Secretary of the Treasury shall transfer funds from the account established under this sub-section (a) to the Secretary of Transportation, without further appropriation, such amounts as the Secretary of Transportation determines are necessary to carry out the flexible fuel/hybrid vehicle commercialization initiative established under section 706 of the Energy Policy Act of 2005.

(c) Investment of Amounts.—
"("1) In General.—The Secretary of the Treasury shall invest such portion of the account as the Secretary determines is necessary to meet current withdrawals.

(d) Interest-Bearing Obligations.—Investments may be made in interest-bearing obligations of the United States.

(e) Credits to Account.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the account shall be credited to and form a part of the account.

(f) Transfers of Amounts.—
"("1) In General.—The amounts required to be transferred to the account under this section shall be transferred at least monthly from the general fund of the Treasury to the account on the basis of amounts authorized to be transferred made by the Secretary of the Treasury.
"("2) Adjustments.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(b) Conforming Amendment.—The analysis for chapter 329 of title 49, United States Code, is amended by inserting after the item relating to section 32915 the following:

"32915A. Use of Civil Penalties For Fuel Economy Research."

SA 853. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

EC. 1107. NATIONAL POWER PLANT OPERATIONS TECHNOLOGY AND EDUCATIONAL CENTER.
(a) Establishment.—The Secretary shall support the establishment of a National Power Plant Operations Technology and Education Center (referred to in this section as the “Center”), to address the need for training and educating certified operators and technicians for the electric power industry.
(b) Location of Center.—The Secretary shall support the establishment of the Center at an institution of higher education that has—
(1) expertise in providing degree programs in electric power generation, transmission, and distribution technologies;
(2) experts in providing onsite and Internet-based training; and
(3) demonstrated responsiveness to workforce and training requirements in the electric power industry.
(c) Training and Continuing Education.—
(1) In General.—The Center shall provide training and continuing education in electric power generation, transmission, and distribution technologies and operations.
(2) Location.—The Center shall carry out training and education activities under paragraph (1)—
(A) at the Center; and
(B) through Internet-based information technologies that allow for learning at remote sites.

SEC. 1108. POWER PLANT RESEARCH AND DEVELOPMENT INITIATIVE.
(a) In General.—There are authorized to be appropriated to carry out this section, to remain available until expended —
(1) $2,000,000 for fiscal year 2005;
(2) $5,000,000 for fiscal year 2006;
(3) $7,000,000 for fiscal year 2007;
(4) $10,000,000 for fiscal year 2008; and
(5) $12,000,000 for fiscal year 2009.
(b) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, to remain available until expended —
(1) $3,000,000 for fiscal year 2005;
(2) $7,000,000 for fiscal year 2006;
(3) $10,000,000 for fiscal year 2007; and
(4) $20,000,000 for fiscal year 2008.
(2) Applicable Amount.—For purposes of this section, the applicable amount is $0.75.

(3) Renewable Liquid Mixture.—For purposes of this section, the term ‘renewable liquid mixture’ means any mixture of renewable liquid and taxable fuel which—

(A) is sold by the taxpayer producing such mixture to any person for use as a fuel or feedstock; and

(B) is used as a fuel or feedstock by the taxpayer producing such mixture.

For purposes of subparagraph (A), a mixture produced by any person at a refinery prior to a taxable event which includes renewable liquid shall be treated as sold at the time of its removal from the refinery (and only at such time) or sold to another person for use as a fuel or feedstock.

(c) Other Definitions.—For purposes of this section—

(1) Renewable liquid.—The term ‘renewable liquid’ means liquid fuels derived from waste and byproduct streams including: agricultural products and byproducts; municipal solid and semi-solid waste streams; industrial waste streams; automotive scrap waste streams; and as further provided by regulations.

(2) Taxable Fuel.—The term ‘taxable fuel’ has the meaning given such term by section 4083(a)(1).

(3) Feedstock.—The term ‘feedstock’ means any precursor material subject to further processing to make a petrochemical, solvent, or other fuel which has the effect of displacing conventional fuels, or products produced from conventional fuels.

(4) Additional Definitions.—Any term used in this section which is also used in section 4081 shall have the meaning given such term in section 4081.

(d) Certification For Renewable Liquid Fuel.—No credit shall be allowed under this section with respect to the production of any renewable liquid fuel which identifies the producer of such renewable liquid fuel, which identifies the product produced and the number of gallons of such renewable liquid fuel.

(e) Mixture Not Used as Fuel, Etc.—

(1) Imposition of Tax.—If—

(A) any credit was determined under this section with respect to any taxable fuel, or

(B) any person—

(i) separates the renewable liquid from the mixture, or

(ii) without separation, uses the mixture other than as a fuel, then there is hereby imposed on such person a tax equal to the product of the applicable amount and the number of gallons of such renewable liquid.

(2) Applicable Laws.—All provisions of law, including penalties, shall, insofar as applicable and not inconsistent with this section, apply in respect of any tax imposed under paragraph (1) as if such tax were imposed by section 4081 and not by this section.

(f) Coordination With Exemption From Excise Tax.—Rules similar to the rules under section 4081(c) shall apply for purposes of this section.

(g) Imposition.—This section shall not apply to any sale, use, or removal for any period after December 31, 2010.

(b) Registration Requirement.—Section 4081(a)(1) of the Internal Revenue Code of 1986 (relating to registration, as amended by this Act), is amended by inserting ‘and every person producing or importing renewable liquid fuel’ after ‘or 6426A(c)(1)’ before ‘shall register with the Secretary’.

(c) Payments.—Section 6627 of the Internal Revenue Code of 1986 (relating to payments, as amended by subsection (f) the following new sub-section:

‘(g) Renewable Liquid Used to Produce Mixture.—

(1) Used to Produce a Mixture.—If any person produces a mixture described in section 4081 and the taxpayer’s trade or business, the Secretary shall pay (without interest) to such person an amount equal to the renewable liquid mixture credit with respect to such mixture.

(2) Coordination With Other Repayment Provisions.—No amount shall be payable under paragraph (1) with respect to any mixture with respect to which an amount is allowed as a credit under section 6426A.

(3) Termination.—This subsection shall not apply with respect to any renewable liquid fuel produced in section 6426A(b)(3) sold or used after December 31, 2010.

(d) Conforming Amendment.—The last sentence of section 9509(b)(1) of the Internal Revenue Code of 1986 is amended by striking ‘section 4626’ and inserting ‘sections 4626 and 6426A’.

(e) Clerical Amendment.—The table of sections for subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 6426 the following new section:

‘Sec. 6426A. Credit for renewable liquid fuel.’

(f) Effective Dates.—

(1) In General.—(A) Any credit was determined under this section which is also used in section 4081 the following new section:

‘Sec. 4626A. Credit for renewable liquid fuel.’

(B) any credit was determined under this section which is also used in section 4081 the following new section:

‘Sec. 6426A. Credit for renewable liquid fuel.’

(2) Applicable Amount.—

(1) the renewable liquid mixture credit, plus

(2) the renewable liquid credit.

(3) Definition of Renewable Liquid Mixture Credit.—For purposes of this section—

‘1. RENEWABLE LIQUID Mixture Credit.—

(A) In General.—The renewable liquid mixture credit for any taxable year is $0.75 for each gallon of renewable liquid fuel used by the taxpayer in the production of a qualified renewable liquid fuel mixture.

(B) Qualified Renewable Liquid Mixture.—The term ‘qualified renewable liquid mixture’ means a mixture of renewable liquid and taxable fuel (as defined in section 4081(a)(1)), which—

(i) is sold by the taxpayer producing such mixture to any person for use as a fuel or feedstock, or

(ii) is used as a fuel or feedstock by the taxpayer producing such mixture.

(C) Sale Or Use Must Be In Trade Or Business, Etc.—Renewable liquid used in the production of a qualified renewable liquid fuel mixture shall be taken into account—

(i) only if the sale or use described in subparagraph (B) is in a trade or business of the taxpayer, and

(ii) for the taxable year in which such sale or use occurs.

(2) Renewable Liquid Credit.—

(A) In General.—The renewable liquid credit of any taxpayer for any taxable year is $0.75 for each gallon of renewable liquid which is not in a mixture with taxable fuel and which during the taxable year—

(i) is used by the taxpayer as a fuel or feedstock in a trade or business, or

(ii) is sold by the taxpayer at retail to a person and placed in the fuel tank of such person’s vehicle.

(B) Use Credit Not To Apply to Renewable Liquid Sold at Retail.—No credit shall be allowed under subparagraph (A)(i) with respect to any renewable liquid which was sold in a retail sale described in subparagraph (A)(ii).

(c) Certification For Renewable Liquid.—No credit shall be allowed under this section with respect to any renewable liquid fuel which is not in a mixture with taxable liquid solely by reason of the application of section 6426A or 6427(g).

(d) Definitions and Special Rules.—For purposes of this section, the term ‘renewable liquid’ means liquid fuels derived from waste and byproduct streams including: agricultural products and by-products, agriculture materials produced from waste streams, food processing stream byproducts, municipal solid and semi-solid waste streams, industrial waste streams, automotive scrap waste streams, as further provided by regulations.

(2) Mixture or Renewable Liquid Not Used as Fuel, Etc.—

(1) Mixtures.—If—

(A) any credit was determined under this section with respect to any renewable liquid fuel used in the production of any qualified renewable liquid mixture, and

(B) any person—

(i) separates the renewable liquid from the mixture, or

(ii) without separation, uses the mixture other than as a fuel, then there is hereby imposed on such person a tax equal to the product of the applicable amount and the number of gallons of such renewable liquid.

(2) Renewable Liquid.—If—

(A) any credit was determined under this section with respect to any renewable liquid used in the production of any qualified renewable liquid mixture, and

(B) any person mixes such renewable liquid or uses such renewable liquid other than as a fuel, then there is hereby imposed on such person a tax equal to the product of the applicable amount and the number of gallons of such renewable liquid in such mixture.

(2) Renewable Liquid.—If—

(A) any credit was determined under this section with respect to the retail sale of any renewable liquid, and

(B) any person mixes such renewable liquid or uses such renewable liquid other than as a fuel, then there is hereby imposed on such person a tax equal to the product of the applicable amount and the number of gallons of such renewable liquid in such mixture.

(3) Applicable Laws.—All provisions of law, including penalties, shall, insofar as applicable and not inconsistent with this section, apply in respect of any tax imposed under subsection (b)(1)(A) and the number of gallons of such renewable liquid in such mixture.

(2) Renewable Liquid.—If—

(A) any credit was determined under this section with respect to any tax imposed under subparagraph (A) or (B) as if such tax was imposed by section 4081 and not by this chapter.

(3) Pass-Through in the Case of Estates and Trusts.—Under regulations prescribed by the Secretary, the rules of subsection (d) of section 52 shall apply.

(2) Termination.—This section shall not apply to any sale or use after December 31, 2010.

(b) Credit Treated as Part of General Business Credit.—Section 53(b) of the Internal Revenue Code of 1986 is amended by inserting after ‘section 6426’ the following new sub-section:
SA 855. Mr. STEVENS submitted an amendment in paragraph (1), to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 1. TAX-EXEMPT TREATMENT OF CERTAIN BONDS ISSUED BY CERTAIN JOINT ACTION AGENCIES.

(a) In General. — Pursuant of the Internal Revenue Code of 1986, with respect to the issuance of any bond by any joint action agency described in subsection (b), if such bond satisfies the requirements of subsection (c) then—

(1) such bond shall be treated as issued by a political subdivision for purposes of section 103 of such Code, and

(2) the sale of property by such agency to its members shall not result in such bond being treated as a private activity bond under section 141 of such Code.

(b) AGENCY DESCRIBED. — An agency is described in this subsection if such agency is established under State law on or after December 31, 2000, and before August 1, 2005, for the purpose of participating in the design, construction, operation, and maintenance of one or more generating or transmission facilities and is treated under such law as a public utility.

(c) BOND REQUIREMENTS. — A bond issued as part of an issue satisfies the requirements of this subsection if—

(1) such issue satisfies the requirements of section 141(f)(2) of the Internal Revenue Code of 1986 (as so amended),

(2) such issue receives an allocation of the issuance limitation described in paragraph (3) by the governmental unit approving such issue under such law, and

(3) the aggregate face amount of the bonds issued pursuant to such issue, when added to the aggregate face amount of bonds previously issued by all agencies described in subsection (b), does not exceed $1,000,000,000, and

(4) any bond issued pursuant to such issue is issued after the date of enactment of this Act and before January 1, 2011.

SA 854. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 2. EXPANSION OF RESOURCES TO WAVE, CURRENT, TIDAL, AND OCEAN THERMAL ENERGY.

(a) In General. — Section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources), as amended by this Act, is amended by striking "and" and adding the following as a substitute for (H)

"(I) wave, current, tidal, and ocean thermal energy." (b) EFFECTIVE DATE. — The amendment made by this section shall apply to taxable years beginning after the date of enactment of this Act.

SA 857. Mr. BURR submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 160, before line 1, insert the following:

SEC. 220. IMPROVING MOTOR FUEL SUPPLY AND DISTRIBUTION.

(a) Limiting the Sale of Boutique Fuels. — Section 21(c)(4)(C) of the Clean Air Act (42 U.S.C. 7545(c)(4)(C)) is amended by adding at the end the following:

"(III)(I) The Administrator shall have no authority, when considering a State implementation plan or a revision to a State implementation plan revision, to approve under this paragraph any fuel included in such plan or revision if the effect of such approval would be to increase the total number of fuels approved under this paragraph as of January 1, 2005 in all State implementation plans.

(II) The Administrator, in consultation with the Secretary of Energy, shall determine the total number of fuels approved under this paragraph as of January 1, 2005, in all State implementation plans and shall publish a list of such fuels, including the states and Petroleum Administration for Defense District in which they are used, in the Federal Register no later than 90 days after enactment.

(III) The Administrator shall remove a fuel from the list published under subsection (I) if a fuel ceases to be included in a State implementation plan or a revision to that State's implementation plan is identical to a Federal fuel formulation implemented by the Administrator, but the Administrator shall ensure the total number of fuels authorized under the list published under subsection (II).

(IV) Subclause (I) shall not apply to approval by the Administrator of a control or prohibition respecting any new fuel under this paragraph in a State's implementation plan or a revision to that State's implementation plan after the date of enactment of this Act if the fuel, as of the date of consideration by the Administrator—

(aa) would replace completely a fuel on the list published under subsection (II);

(bb) has been approved in at least one State implementation plan in the applicable Petroleum Administration for Defense District;

(cc) is a fuel that differs from the Federal conventional gasoline specifications under subsection (k)(6) only with respect to the requirement of a summertime Reid Vapor Pressure of 7.0 or 7.8 pounds per square inch.

(V) Nothing in this clause shall be construed to have any application, in any available authority of States to require the use of any fuel additive registered in accordance with subsection (b), including any fuel additive registered in accordance with subsection (a) after the enactment of this subclause.

(VI) In this clause:

"(aa) The term 'control or prohibition respecting a new fuel' means a control or prohibition on the formulation, composition, or emissions characteristics of a fuel that would require the increase or decrease of a constituent in gasoline or diesel fuel.

(bb) The term 'fuel' means gasoline, diesel fuel, and any other liquid petroleum products, including but not limited to, natural gas and diesel fuel for use in highway and non-road motor vehicles.

(cc) The term 'Petroleum Administration for Defense District' means any of the following:

(Temporary) WAIVER OF SUBPERMITS REQUIRED DURING EMERGENCIES.—The Administrator may temporarily waive any control on construction and use of any petroleum product which would delay an emergency response under subsection (c) the implementation of a permit issued by the

"(aa) the term 'control or prohibition respecting a new fuel' means a control or prohibition on the formulation, composition, or emissions characteristics of a fuel that would require the increase or decrease of a constituent in gasoline or diesel fuel.

(bb) The term 'fuel' means gasoline, diesel fuel, and any other liquid petroleum products, including but not limited to, natural gas and diesel fuel for use in highway and non-road motor vehicles.

(cc) The term 'Petroleum Administration for Defense District' means any of the following:

(Temporary) WAIVER OF SUBPERMITS REQUIRED DURING EMERGENCIES.—The Administrator may temporarily waive any control on construction and use of any petroleum product which would delay an emergency response under subsection (c) the implementation of a permit issued by the

...
plan under section 110 that is approved by the Administrator under subparagraph [(c)(4)(C)(i)](1), if, after consultation with and concurrence by the Secretary of Energy, the Administrator determines that—

(i) an extreme and unusual fuel or fuel additive supply circumstance exists in a State or region that prevents the distribution of an adequate supply of the fuel or fuel additive to consumers;

(ii) the extreme and unusual fuel or fuel additive supply circumstance is the result of a national or regional event, an act of God, a pipeline or refinery equipment failure, or another event that could not reasonably have been foreseen or prevented and not a lack of prudent planning or management on the part of the suppliers of the fuel or fuel additive to the State or region; and

(iii) it is in the public interest to grant the waiver.

(E) REQUIREMENTS FOR WAIVER.—

(1) DEFINITION OF MOTOR FUEL DISTRIBUTION SYSTEM.—In this subparagraph, the term ‘motor fuel distribution system’ has the meaning given the term by the Administrator, by regulation.

(ii) the waiver applies to all persons in the motor fuel distribution system; and

(iii) the waiver is effective for a period of 15 calendar days or, if the Administrator determines that the period is adequate, for the shortest practicable time period necessary to permit the correction of the extreme and unusual fuel or fuel additive supply circumstance and to mitigate impact on air quality;

(iii) the waiver permits a transitional period, the duration of which shall be determined after the revocation of the temporary waiver to permit wholesalers and retailers to blend down wholesale and retail inventory;

(iv) the waiver applies to all persons in the motor fuel distribution system; and

(V) the Administrator has given public notice regarding consideration by the Administrator of, and, if applicable, the granting of, a waiver to all parties in the motor fuel distribution system, State and local regulators, public interest groups, and consumers in the State or region to be covered by the waiver.

(F) AFFECT ON WAIVER AUTHORITY.—Nothing in this subparagraph—

(i) limits or otherwise affects the application of any other waiver authority of the Administrator under this section or a regulation promulgated pursuant to this section; or

(ii) subjects any State or person to an enforcement action, penalties, or liability solely arising from actions taken pursuant to the issuance of a waiver under subparagraph (D).

SA 858. MR. SALAZAR submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Begin page 296, strike line 6 and all that follows through page 296, line 25, and insert the following:

SEC. 346. OIL SHALE.

(a) DECLARATION OF POLICY.—Congress declares that it is the policy of the United States that—

(1) United States oil shale and tar sands are important domestic energy resources that should be developed through methods that help reduce the growing dependence of the United States on politically and economically unstable sources of foreign oil imports;

(2) the development of oil shale and tar sands for research and commercial development, should be conducted in an economically feasible and environmentally sound manner, using practices that minimize impacts;

(3) development should occur at a deliberate pace, with an emphasis on sustainability, to benefit the United States while taking into account affected States and communities; and

(4) the Secretary of the Interior should work toward developing a commercial leasing program for oil shale and tar sands so that such a program can be implemented when production technologies are commercially viable.

(b) LEASING PROGRAM.—

(1) RESEARCH AND DEVELOPMENT.—

(A) IN GENERAL.—In accordance with section 21 of the Mineral Leasing Act (30 U.S.C. 241) and any other applicable law, the Secretary of the Interior should provide for consultation with affected States and local governments; and

(B) the analysis required under subsection (d).

(c) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—Not later than 18 months after the date of enactment of this Act, in accordance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), the Secretary shall complete a programmatic environmental impact statement that analyzes potential leasing for research and commercial development of oil shale resources on public land.

(d) ANALYSIS OF POTENTIAL LEASING PROGRAM.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report (including recommendations) analyzing a potential leasing program for oil shale and tar sands on public land.

(e) OIL SHALE AND TAR SANDS TASK FORCE.—

(1) ESTABLISHMENT.—The Secretary of Energy, in cooperation with the Secretary of the Interior, shall establish an Oil Shale and Tar Sands Task Force to develop a program to facilitate and accelerate the commercial development of oil shale and tar sands in an integrated manner.

(2) COMPOSITION.—The Task Force shall be composed of—

(A) the Secretary of Energy (or the designee of the Secretary of Energy);
in the United States. For

SEC. 372. OUTER CONTINENTAL SHELF REVENUE
SHARING FOR NONMORATORIA COASTAL PRODUCING STATES.

(a) DEFINITIONS.—In this section:

(1) COASTAL POPULATION.—The term ‘coastal population’ means the population, as determined by the most recent official data of the Census Bureau, of each political subdivision, any part of which lies within the designated coastal zone of that State as identified in the coastal zone management program for the producing State under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(2) COASTAL MANUFACTURING AREAS.—The term ‘coastal manufacturing area’ means an area that lies on the table; as follows:

(i) By striking

(ii) By inserting

(iii) By inserting

(iv) By striking

(v) By inserting

(vi) By striking

(vii) By inserting

The term ‘contiguous coastal areas’ means the contiguous states of California, Oregon, Washington, and Idaho.

SEC. 220. TREATMENT OF NUCLEAR ENERGY.
For the purposes of any renewable standard established by this title or an amendment made by this Act, nuclear energy shall be considered to be a renewable form of energy.

SEC. 372. OUTER CONTINENTAL SHELF REVENUE
SHARING FOR NONMORATORIA COASTAL PRODUCING STATES.

(a) PROHIBITION.—The term ‘coastal political subdivision’ means a political subdivision of a producing State, all or part of which lies within the designated coastal zone of the producing State as identified in the coastal zone management program for the producing State under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), as in effect on the date of enactment of this section.

(b) TERMINATION.—The term ‘coastal political subdivision’ means a political subdivision of a producing State, all or part of which lies within the designated coastal zone of the producing State as identified in the coastal zone management program for the producing State under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(c) TRANSFERRED AMOUNT.—The term ‘transferred amount’ means the amount transferred to the Secretary under subsection (b)(1) to make payments to producing States and coastal political subdivisions under this Act for the fiscal year.

(d) PAYMENTS TO PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—The term ‘producing State’ means a coastal State that has a coastal seaward boundary within 200 miles of the geographic center of a leased tract within any area of the outer Continental Shelf.

(2) INCLUSION.—The term ‘producing State’ includes any State that begins production on a leased tract or portion of a leased tract—

(i) by striking

(ii) by inserting

(iii) by inserting

(iv) by striking

(v) by inserting

(vi) by striking

(vii) by inserting

(2) USE OF STATE SURVEYS AND UNIVER-
"sities.—In carrying out the assessment under paragraph (1), the Secretary may request assistance from any State-administered geological survey or university.

(3) STATE WATER RIGHTS.—Nothing in this section preempts or affects any State water law or interstate compact relating to water.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriation such sums as are necessary to carry out this section.

SA 859, Mr. WARNER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 166, before line 1, insert the following:

SEC. 220. TREATMENT OF NUCLEAR ENERGY.
For the purposes of any renewable standard established by this title or an amendment made by this Act, nuclear energy shall be considered to be a renewable form of energy.

SA 860, Mr. WARNER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 310, after line 25, add the following:

SEC. 372. OUTER CONTINENTAL SHELF REVENUE
SHARING FOR NONMORATORIA COASTAL PRODUCING STATES.

(a) IN GENERAL.—The term ‘coastal political subdivision’ means a political subdivision of a producing State, all or part of which lies within the designated coastal zone of the producing State as identified in the coastal zone management program for the producing State under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), as in effect on the date of enactment of this section.

(b) TERMINATION.—The term ‘coastal political subdivision’ means a political subdivision of a producing State, all or part of which lies within the designated coastal zone of the producing State as identified in the coastal zone management program for the producing State under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(c) TRANSFERRED AMOUNT.—The term ‘transferred amount’ means the amount transferred to the Secretary under subsection (b)(1) to make payments to producing States and coastal political subdivisions under this Act for the fiscal year.

(d) PAYMENTS TO PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—The term ‘producing State’ means a coastal State that has a coastal seaward boundary within 200 miles of the geographic center of a leased tract within any area of the outer Continental Shelf.

(2) INCLUSION.—The term ‘producing State’ includes any State that begins production on a leased tract or portion of a leased tract—

(i) by striking

(ii) by inserting

(iii) by inserting

(iv) by striking

(v) by inserting

(vi) by striking

(vii) by inserting

(2) USE OF STATE SURVEYS AND UNIVER-
"sities.—In carrying out the assessment under paragraph (1), the Secretary may request assistance from any State-administered geological survey or university.

(3) STATE WATER RIGHTS.—Nothing in this section preempts or affects any State water law or interstate compact relating to water.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriation such sums as are necessary to carry out this section.

SA 859, Mr. WARNER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 166, before line 1, insert the following:

SEC. 220. TREATMENT OF NUCLEAR ENERGY.
For the purposes of any renewable standard established by this title or an amendment made by this Act, nuclear energy shall be considered to be a renewable form of energy.

SA 860, Mr. WARNER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 310, after line 25, add the following:

SEC. 372. OUTER CONTINENTAL SHELF REVENUE
SHARING FOR NONMORATORIA COASTAL PRODUCING STATES.

(a) IN GENERAL.—The term ‘coastal political subdivision’ means a political subdivision of a producing State, all or part of which lies within the designated coastal zone of the producing State as identified in the coastal zone management program for the producing State under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), as in effect on the date of enactment of this section.

(b) TERMINATION.—The term ‘coastal political subdivision’ means a political subdivision of a producing State, all or part of which lies within the designated coastal zone of the producing State as identified in the coastal zone management program for the producing State under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(c) TRANSFERRED AMOUNT.—The term ‘transferred amount’ means the amount transferred to the Secretary under subsection (b)(1) to make payments to producing States and coastal political subdivisions under this Act for the fiscal year.

(d) PAYMENTS TO PRODUCING STATES AND COASTAL POLITICAL SUBDIVISIONS.—
(1) TRANSFER OF AMOUNTS.—From qualified Outer Continental Shelf revenues deposited in the Treasury under this Act for a fiscal year, the Secretary of the Treasury shall transfer to the Secretary for purposes of making payments to producing States and coastal political subdivisions under this section—

(A) for each of fiscal years 2006 through 2010, $500,000,000; and

(B) for fiscal year 2011 and each subsequent fiscal year, an amount equal to 50 percent of qualified Outer Continental Shelf revenues received for a fiscal year.

(2) DISBURSEMENT.—During each fiscal year, the Secretary shall, subject to the availability of appropriations for purposes of paragraph (1)(A), and without further appropriation for purposes of paragraph (1)(B), disburse to each producing State for which the Secretary has received a plan under subsection (c), and to coastal political subdivisions under paragraph (4), the funds allocated to the producing State or coastal political subdivision under this section for the fiscal year.

(3) ALLOCATION AMONG PRODUCING STATES.—

(A) IN GENERAL.—The transferred amount shall be allocated to each producing State based on the ratio that—

(i) the amount of qualified outer Continental Shelf revenues generated off the coastline of the producing State; bears to

(ii) the amount of qualified outer Continental Shelf revenues generated off the coastline of all producing States; equals

the number of miles of coastline of the producing State; and

the number of miles of coastline of all producing States.

(B) QUALIFIED OUTER CONTINENTAL SHELF REVENUES.—

(1) FISCAL YEARS 2006 THROUGH 2008.—For each of fiscal years 2006 through 2008, a calculation of a payment under this subsection shall be based on qualified outer Continental Shelf revenues received during fiscal year 2005.

(2) FISCAL YEARS 2009 THROUGH 2010.—For each of fiscal years 2009 through 2010, a calculation of a payment under this subsection shall be based on qualified outer Continental Shelf revenues received during fiscal year 2008.

(3) FISCAL YEAR 2011 AND THEREAFTER.—Beginning in fiscal year 2011, a calculation of a payment under this subsection for each fiscal year during a 2-year fiscal year period shall be based on Outer Continental Shelf revenues received during the fiscal year preceding the first fiscal year of the 2-year period.

(C) MULTIPLE PRODUCING STATES.—If more than 1 producing State is located within 200 miles of any portion of a leased tract, the amount allocated to each producing State for the leased tract shall be inversely proportional to the distance between—

(i) the nearest point on the coastline of the producing State; and

(ii) the geographic center of the leased tract.

(4) MINIMUM ALLOCATION.—An amount allocated to a producing State under this paragraph shall not be less than 1 percent of the transferred amount.

(5) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—

(A) IN GENERAL.—The Secretary shall pay 35 percent of the amount allocated under paragraph (3) to the coastal political subdivisions in the producing State.

(B) FORMULA.—Of the amount paid by the Secretary to coastal political subdivisions under subparagraph (A),—

(i) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

(I) the coastal population of the coastal political subdivision bears to

(II) the coastal population of all coastal political subdivisions in the producing State; and

(ii) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

(I) the number of miles of coastline of the coastal political subdivision bears to

(II) the number of miles of coastline of all coastal political subdivisions in the producing State; and

(iii) 50 percent shall be allocated in amounts that are inversely proportional to the respective distances between the points in each coastal political subdivision that are closest to the center of the leased tract, as determined by the Secretary.

(C) EXCEPTION FOR LOUISIANA.—For the purposes of subparagraph (B)(ii), the coastline for coastal subdivisions in the State of Louisiana without a coastline shall be the average length of the coastline of all other coastal political subdivisions in the State of Louisiana.

(D) EXCEPTION FOR ALASKA.—For the purposes of subparagraph (B)(iii) in the State of Alaska, the amount allocated based on the ratio that—

(i) the coastal population of the coastal political subdivision bears to

(ii) the coastal population of the State of Alaska; bears to

the number of miles of coastline of the coastal political subdivision that are closest to the coastal coastline of all producing States.

(6) NO APPROVED PLAN.—

(A) IN GENERAL.—If the plan submitted under paragraph (3) or (4) is not approved because the Secretary determines that the plan or amendment—

(i) is consistent with the uses described in subsection (c); or

(ii) does not meet the requirements of section 413(a)(2) of the Energy Policy Act of 2005; or

(iii)7 is not approved by the Secretary; then

the Secretary shall hold in escrow an undisbursed amount equal to the amount allocated to each producing State, or to a coastal political subdivision and dedicated to a use consistent with this section, in accordance with applicable Federal and State law, only for 1 or more of the following purposes:

(A) Projects and activities for the conservation, protection, or restoration of coastal areas, including wetlands; or

(B) Mitigation of damage to fish, wildlife, or natural resources.

(C) Planning assistance and the administrative costs of complying with this section.

(D) Implementation of any approved or disapproved marine, coastal, or comprehensive conservation management plan.

(E) Mitigation of the impact of outer Continental Shelf activities through funding of onshore infrastructure, education, health care, and public service needs.

(F) ESTABLISHMENT OF SEAWARD LATERAL BOUNDARIES FOR COASTAL STATES.—Section 4(a)(2)(A) of the Outer Continental Shelf Lands Act (43 U.S.C. 1333(a)(2)(A)) is amended—

(1) by inserting “(1)” after “(A);” and

(2) in the first sentence—

(A) by striking “President shall” and inserting “Secretary shall,”; and

(B) by inserting before the period at the end of the following: “not later than 180 days after the date of enactment of the Stewardship Act for Coasts and Opportunities for Reliable Energy Act;” and

(3) by adding at the end the following:
“(I) For purposes of this Act (including determining boundaries to authorize leasing and preleasing activities and any attributing revenues under this Act and calculating payments to the States and coastal political subdivisions under section 32), the Secretary shall delineate the lateral boundaries between coastal States in areas of the outer Continental Shelf that are within the exclusive economic zone of the United States, to the extent of the exclusive economic zone of the United States, in accordance with article 15 of the United Nations Convention on the Law of the Sea of December 10, 1982.

“(II) This clause shall not affect any right or title to Federal submerged land on the outer Continental Shelf.

“(c) OPTION TO PETITION FOR LEASING WITHIN CERTAIN AREAS ON THE OUTER CONTINENTAL SHELF—Section 12 of the Outer Continental Shelf Lands Act (43 U.S.C. 1341) is amended by adding at the end the following:

“‘(g) LEASING WITHIN THE SEAWARD LATERAL BOUNDARIES OF COASTAL STATES.—

“(1) DEFINITION OF AFFECTED AREA.—In this subsection, the term ‘affected area’ means any area located—

“(A) in the areas of northern, central, and southern California and the areas of Oregon and Washington;

“(B) in the north, middle, or south planning area of the Atlantic Ocean;

“(C) in the eastern Gulf of Mexico planning area and lying—

“(i) south of 26 degrees north latitude; and

“(ii) east of 86 degrees west longitude; or

“(D) in the area located on the outer Continental Shelf that, as of the date of enactment of this subsection, is designated as a marine sanctuary under the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq.);

“(2) RESTRICTIONS ON LEASING.—The Secretary shall not offer for offshore leasing, preleasing, or any related activity—

“(A) in the areas of northern, central, and southern California and the areas of Oregon and Washington;

“(B) except as provided in paragraphs (3) and (4), during the period beginning on the date of enactment of this subsection and ending on June 30, 2012, any affected area.

“(3) RESOURCE ASSESSMENTS.—

“(A) IN GENERAL.—Beginning on the date on which the Secretary delineates seaward lateral boundaries under section 4(a)(2)(A)(i), a Governor of a State in which an affected area is located, with the consent of the Secretary, may submit to the Secretary a petition requesting a resource assessment of any area within the seaward lateral boundary of the State.

“(B) ELIGIBLE RESOURCES.—A petition for a resource assessment under subparagraph (A) may be for—

“(i) oil and gas leasing;

“(ii) gas-only leasing; or

“(iii) any other energy source leasing, including renewable energy leasing.

“(C) ACTION BY SECRETARY.—Not later than 90 days after receipt of a petition under subparagraph (A), the Secretary shall approve the petition, unless the Secretary determines that leasing the area would create an unreasonable risk of harm to the marine, human, or coastal environment of the State.

“(D) FAILURE TO ACT.—If the Secretary fails to approve or deny a petition in accordance with subparagraph (A)—

“(i) the petition shall be considered to be approved; and

“(ii) any area that is within the seaward lateral boundary for which a petition is approved under subparagraph (A) or (D), the Secretary shall—

“(I) complete the resource assessment for the area; and

“(II) submit the completed resource assessment to the State.

“(4) PRELEASING.—

“(A) IN GENERAL.—On receipt of a resource assessment under paragraph (3)(E)(i), the Governor of a State in which an affected area is located, with the consent of the legislature of the State, may submit to the Secretary a petition requesting that the Secretary make available any land that is within the seaward lateral boundary of the State (as established under section 4(a)(2)(A)(ii)) and that is greater than 20 miles from the coastline of the State for the conduct of resource assessments, preleasing, or related activities with respect to—

“(i) oil and gas leasing;

“(ii) gas-only leasing; or

“(iii) any other energy source leasing, including renewable energy leasing.

“(B) ACTION BY SECRETARY.—Not later than 90 days after receipt of a petition under subparagraph (A), the Secretary shall approve the petition, unless the Secretary determines that leasing the area would create an unreasonable risk of harm to the marine, human, or coastal environment of the State.

“(C) FAILURE TO ACT.—If the Secretary fails to approve or deny a petition in accordance with subparagraph (B)—

“(i) the petition shall be considered to be approved; and

“(ii) any area that is within the seaward lateral boundary for which a petition is approved under subparagraph (A) or (D), the Secretary shall—

“(I) complete the resource assessment for the area; and

“(II) submit the completed resource assessment to the State.

“(5) REVENUE SHARING.—

“(A) IN GENERAL.—Beginning on the date on which the Secretary makes available any land that is within the seaward lateral boundary of the State (as established under section 4(a)(2)(A)(ii)) and that is greater than 20 miles from the coastline of the State for the conduct of resource assessments, preleasing, or related activities, any revenues that are generated from the leasing shall be shared as follows:

“(i) 40 percent of such revenues shall be paid to the State for the purpose of supporting exploration, development, production, transportation, or storage of oil, natural gas, or other minerals;

“(B) produce or support production, transportation, or transmission of energy from sources other than oil and gas;

“(C) use, for energy-related or marine-related purposes, facilities and equipment that are located under this subsection on or before the date of enactment of this subsection for activities authorized under this Act.

“(2) PAYMENTS.—

“(A) IN GENERAL.—The Secretary shall establish, by rule or agreement with the party to which the easement or right-of-way is granted under this subsection, reasonable rates of payment for the easement or right-of-way, including a fee, rental, bonus, or other payment.

“(B) ASSESSMENT.—A payment under subparagraph (A) shall not be assessed on the basis of throughput or production.

“(C) PAYMENTS TO STATES.—If a lease, easement, right-of-way, license, or permit is granted under this subsection, the Secretary shall withhold or grant competitively or noncompetitively, the Secretary shall consider such factors as—

“(i) the economic viability of an energy project;

“(ii) the protection of the environment;

“(iv) the national interest and national security;

“(v) human safety;

“(vii) protection of correlative rights; and

“(viii) potential return for the lease, easement, right-of-way, license, or permit.

“(2) REGULATIONS.—Not later than 270 days after the date of enactment of this subsection, the Secretary, in consultation with the Secretary of the Department in which the Coast Guard is operating and other relevant agencies of the Federal Government and affected States, shall issue any necessary regulations to ensure—

“(A) safety;

“(B) protection of the environment;

“(C) prevention of waste; and

“(D) conservation of the natural resources of the outer Continental Shelf; and

“(E) protection of national security interests; and

“(F) protection of correlative rights in the outer Continental Shelf.

“(2) SECURITY.—The Secretary shall require the holder of a lease, easement, or right-of-way granted under this subsection—

“(A) to furnish a surety bond or other form of security, as prescribed by the Secretary; and

“(B) to comply with such other requirements as the Secretary considers necessary to protect the interests of the United States.

“(7) EFFECT OF SUBSECTION.—Nothing in this subsection displaces, supersedes, limits,
of this Act) did not contain an affected area.

(2) CONFORMING AMENDMENT.—Section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) is amended by striking the section heading and inserting the following: ‘‘LEASES, EASEMENTS, AND RIGHTS-OF-WAY ON THE OUTER CONTINENTAL SHELF.’’

(3) SAVINGS PROVISION.—Nothing in the amendment made by paragraph (1) requires any resubmittal of documents previously submitted or any reauthorization of actions previously authorized, with respect to any project—

(A) for which offshore test facilities have been established before the date of enactment of this Act; or

(B) for which a request for proposals has been issued by a public authority.

(e) REGULATIONS.—

(1) IN GENERAL.—The Secretary of the Interior shall issue such regulations as are necessary to carry out this section and the amendments made by this section, including regulations establishing procedures for entering into gas-only leases.

(2) GAS-ONLY LEASES.—In issuing regulations establishing procedures for entering into gas-only leases, the Secretary shall—

(A) ensure that gas-only leases under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) are available in a State that (as of the day before the date of enactment of this Act) did not contain an affected area (as defined in section 9(a) of that Act (as amended by subsection (d)(1)));

(B) define ‘‘natural gas’’ as—

(i) unmixed natural gas; or

(ii) any mixture of natural or artificial gas (including compressed or liquefied petroleum gas) and condensate recovered from natural gas.

SA 861. Mr. DODD submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 758, after line 25, add the following:

SEC. 12. EFFECT OF ELECTRICAL CONTAMINANTS ON RELIABILITY OF ENERGY PRODUCTION SYSTEMS.

Not later than 180 days after the date of enactment of this Act, the Secretary shall enter into a contract with the National Academy of Sciences under which the National Academy of Sciences shall determine the effect that electrical contaminants (such as those associated with fuel systems) may have on the reliability of energy production systems, including nuclear energy.

SA 862. Mr. LAUTENBERG submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

TITLE XI—ANTI-COMPETITIVE PRACTICES

SEC. 1501. SHORT TITLE.

This title may be cited as the ‘‘OPEC Accountability Act’’.

SEC. 1502. FINDINGS.

Congress makes the following findings:

(1) Gasoline prices have nearly doubled since January, 2002, with oil recently trading at more than $58 per barrel for the first time ever.

(2) Rising gasoline prices have placed an inordinate burden on American families.

(3) High gasoline prices have hindered and will continue to hinder economic recovery.

(4) The Organization of Petroleum Exporting Countries (OPEC) has formed a cartel and engaged in anti-competitive practices to manipulate the price of oil, keeping it artificially high.

(5) Six member nations of OPEC—Indonesia, Kuwait, Nigeria, Qatar, the United Arab Emirates and Venezuela—are also members of the World Trade Organization.

(6) The agreement among OPEC member nations to limit oil exports is an illegal prohibition or restriction on the exportation or sale for export of a petroleum product, which action constitutes an act, policy, or practice that is unjustifiable and burdens and restricts United States commerce.

(7) The export quotas and resulting high prices harm American families, undermine the American economy, impede American and foreign commerce, and are contrary to the national interests of the United States.

country under the trade remedy laws of the United States.

(d) CERTIFICATION DESCRIBED.—

(1) IN GENERAL.—The certification described in this subsection shall be a certification submitted by the President to Congress not later than 30 days after the date of enactment of this Act, stating that instigating proceedings described in subsection (c) would—

(A) harm the national security interest of the United States; or

(B) harm the economic interests of the United States.

(2) REPORT.—A certification submitted under this subsection shall be accompanied by a report that includes an explanation regarding how and why taking the action described in subsection (c) with respect to a country described subsection (b)(2) would not be in the national security interest or economic interest of the United States. The report may be provided on a classified basis if disclosure would threaten the national security of the United States.

(b) ACTION BY PRESIDENT.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the President shall, unless the President submits an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE XIV—ANTI-COMPETITIVE PRACTICES

SEC. 1503. ACTIONS TO CURB CERTAIN CARTEL ANTI-COMPETITIVE PRACTICES.

(a) DEFINITIONS.—In this title:

(1) GATT 1994.—The term ‘‘GATT 1994’’ has the meaning given such term in section 2(1)(B) of the Uruguay Round Agreements Act (19 U.S.C. 3501(1)(B)).

(2) UNDERSTANDING ON RULES AND PROCEDURES GOVERNING THE SETTLEMENT OF DISPUTES.—The term ‘‘Understanding on Rules and Procedures Governing the Settlement of Disputes’’ means the agreement described in section 101(d)(16) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(16)).

(b) WTO AGREEMENT.—

(1) DEFINITIONS.—The term ‘‘WTO Agreement’’ means the Agreement Establishment of the World Trade Organization entered into on April 15, 1994.

(2) ACTION BY PRESIDENT.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the President shall, unless the President submits an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE XIII—ANTI-COMPETITIVE PRACTICES

SEC. 1502. FINDINGS.

Congress makes the following findings:

(1) Gasoline prices have nearly doubled since January, 2002, with oil recently trading at more than $58 per barrel for the first time ever.

(2) Rising gasoline prices have placed an inordinate burden on American families.

(3) High gasoline prices have hindered and will continue to hinder economic recovery.

(4) The Organization of Petroleum Exporting Countries (OPEC) has formed a cartel and engaged in anti-competitive practices to manipulate the price of oil, keeping it artificially high.

(5) Six member nations of OPEC—Indonesia, Kuwait, Nigeria, Qatar, the United Arab Emirates and Venezuela—are also members of the World Trade Organization.

(6) The agreement among OPEC member nations to limit oil exports is an illegal prohibition or restriction on the exportation or sale for export of a petroleum product, which action constitutes an act, policy, or practice that is unjustifiable and burdens and restricts United States commerce.

(7) The export quotas and resulting high prices harm American families, undermine the American economy, impede American and foreign commerce, and are contrary to the national interests of the United States.

Mr. DODD submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE XII—ANTI-COMPETITIVE PRACTICES

SEC. 1503. ACTIONS TO CURB CERTAIN CARTEL ANTI-COMPETITIVE PRACTICES.

(a) DEFINITIONS.—In this title:

(1) GATT 1994.—The term ‘‘GATT 1994’’ has the meaning given such term in section 2(1)(B) of the Uruguay Round Agreements Act (19 U.S.C. 3501(1)(B)).

(2) UNDERSTANDING ON RULES AND PROCEDURES GOVERNING THE SETTLEMENT OF DISPUTES.—The term ‘‘Understanding on Rules and Procedures Governing the Settlement of Disputes’’ means the agreement described in section 101(d)(16) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(16)).

(3) WORLD TRADE ORGANIZATION.—

(1) DEFINITIONS.—The term ‘‘World Trade Organization’’ means the organization established pursuant to the WTO Agreement.

(2) WTO AGREEMENT.—The term ‘‘WTO Agreement’’ means the Agreement Establishing the World Trade Organization entered into on April 15, 1994.

(b) ACTION BY PRESIDENT.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the President shall, unless the President submits an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE XIX—ANTI-COMPETITIVE PRACTICES

SEC. 1502. FINDINGS.

Congress makes the following findings:

(1) Gasoline prices have nearly doubled since January, 2002, with oil recently trading at more than $58 per barrel for the first time ever.

(2) Rising gasoline prices have placed an inordinate burden on American families.

(3) High gasoline prices have hindered and will continue to hinder economic recovery.

(4) The Organization of Petroleum Exporting Countries (OPEC) has formed a cartel and engaged in anti-competitive practices to manipulate the price of oil, keeping it artificially high.

(5) Six member nations of OPEC—Indonesia, Kuwait, Nigeria, Qatar, the United Arab Emirates and Venezuela—are also members of the World Trade Organization.

(6) The agreement among OPEC member nations to limit oil exports is an illegal prohibition or restriction on the exportation or sale for export of a petroleum product, which action constitutes an act, policy, or practice that is unjustifiable and burdens and restricts United States commerce.

(7) The export quotas and resulting high prices harm American families, undermine the American economy, impede American and foreign commerce, and are contrary to the national interests of the United States.
SA 865. Mr. FEINGOLD (for himself and Mr. BROWNBACK) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

SEC. 1278. CONSUMER PROTECTION, FAIR COMPETITION, AND FINANCIAL INTEGRITY.

Section 224 of the Federal Power Act (16 U.S.C. 824c) is amended by adding at the end the following:

(b) ACTION BY PRESIDENT.

(1) I N GENERAL.—Notwithstanding any other provision of law, the President shall, not later than 120 days after the date of enactment of this Act, initiate consultations with the countries described in paragraph (2) to seek the elimination by those countries of any action that—

(A) directly affects the production or distribution of oil, natural gas, or any other petroleum product;

(B) sets or maintains the price of oil, natural gas, or any other petroleum product, or

(C) otherwise is an action in restraint of trade with respect to oil, natural gas, or any petroleum product, when such action constitutes an act, policy, or practice that is unjustifiable and burdens and restricts United States commerce.

(2) COUNTRIES DESCRIBED.—The countries described in this paragraph are the following:

(A) Indonesia.

(B) Kuwait.

(C) Syria.

(D) Qatar.

(E) The United Arab Emirates.

(F) Venezuela.

(g) INITIATION OF WTO DISPUTE RESOLUTION.—If the consultations described in subsection (b) are not successful with respect to any country, described in subsection (b)(2), the United States Trade Representative shall, not later than 60 days after the date of enactment of this Act, institute proceedings pursuant to the Understanding on Rules and Procedures Governing the Settlement of Disputes with respect to that country and shall take any action with respect to that country under the trade remedy laws of the United States.

SA 864. Mr. LEVIN (for himself, Ms. COLLINS, Mr. WYDEN, and Mr. SCHUMER) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 208, line 12, strike “The Secretary shall” and insert the following:

(1) In GENERAL.—The Secretary shall—

(ii) maintain separate books, accounts, memoranda, and other records; and

(iii) prepare separate financial statements;

(II) the public/utility company shall not declare or pay any dividend on any security of the public/utility company, that (i) any business activity other than public/utility company business shall be conducted through 1 or more affiliates or associate companies, which shall be independent, separate, and distinct entities from the public/utility company; and

(iii) the affiliate or associate company shall not—

(1) commingle any tangible or intangible assets or liabilities of the public/utility company with any assets or liabilities of an affiliate, or associate company, of the public/utility company;

(2) pledge or encumber any assets of the public/utility company to the public/utility company; and

(3) shall be unlawful for a public/utility company to enter into or take any action in the performance of any transaction with any affiliate, or associate company, of a public/utility company in violation of the regulations issued under paragraph (2)."

SA 866. Mr. BINGAMAN (for himself, Mr. SPECTER, Mr. DOMENICI, Mr. ALEXANDER, Ms. CANTWELL, Mr. LIEBERMAN, Mr. LAUTENBERG, Mr. MCCAIN, Mr. JEFFORDS, Mr. KERRY, Ms. SNOWE, Ms. COLLINS, and Mrs. BOXER) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

SEC. 16. . . . SENSE OF THE SENATE ON CLIMATE CHANGE.

(a) FINDINGS.—Congress finds that—

(1) greenhouse gases accumulating in the atmosphere are causing average temperatures to rise at a rate outside the range of natural variability and are posing a substantial risk of rising sea-levels, altered patterns of atmospheric and oceanic circulation, and increased frequency and severity of floods and droughts;

(2) there is a growing scientific consensus that human activity is a substantial cause of greenhouse gas accumulation in the atmosphere; and

(3) mandatory steps will be required to slow or stop the growth of greenhouse gas emissions into the atmosphere.

(b) SIGNIFICANCE.—It is the sense of the Senate that, before the end of the first session of the 109th Congress, Congress should enact a comprehensive and effective national program of mandatory, market-based limits on emissions of greenhouse gases that slow, stop, and reverse the growth of such emissions at a rate and in a manner that—

(1) will not significantly harm the United States economy; and

(2) will encourage comparable action by other nations that are major trading partners and key contributors to global emissions.
SA 867. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 437, after line 22, add the following:

SEC. 7. IMPACTS OF USE OF SPECIAL FUEL FORMULATIONS.

In determining whether to approve an application, emissions shall be measured and expressed in units of metric tons of carbon dioxide equivalent.

(4) EMISSIONS INTENSITY. — The term “emissions intensity” means the quantity of allowances to be issued by the Secretary, taking into consideration global warming potential, for each calendar year during the initial allocation period, the emissions intensity target established for the preceding calendar year reduced by 2.4 percent.

(5) TOTAL ALLOWANCES. — The term “total allowances” means the forecasted GDP for that calendar year.

(6) GREENHOUSE GAS. — The term “greenhouse gas” means—

(A) carbon dioxide; 
(B) methane; 
(C) nitrous oxide; 
(D) hydrofluorocarbons; 
(E) perfluorocarbons; 
(F) sulfur hexafluoride.

(7) INITIAL ALLOCATION PERIOD. — The term “initial allocation period” means the period beginning January 1, 2010, and ending December 31, 2019.

(8) NONFUEL REGULATED ENTITY. — The term “nonfuel regulated entity” means—

(A) the owner or operator of a facility that manufactures hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, or nitrous oxide; 
(B) any importer of hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride, or nitrous oxide; 
(C) the owner or operator of a facility that emits nitrous oxide associated with the manufacture of adipic acid or nitric acid; 
(D) the owner or operator of a facility that produces cement or lime; 
(E) the owner or operator of an aluminum smelter; 
(F) the owner or operator of an underground coal mine that emitted more than 35,000,000 cubic feet of methane during 2004 or any subsequent calendar year; and 
(G) the owner or operator of a facility that emits hydrofluorocarbon-23 as a byproduct of the manufacture of adipic acid or nitric acid.

(9) OFFSET PROJECT. — The term “offset project” means any project to reduce or sequester, during the initial allocation period, any greenhouse gas emission that is not a covered greenhouse gas emission.

(A) make a projection with respect to emissions intensity for 2009, using the Energy Information Administration’s most current projections of covered greenhouse gas emissions for 2009; and
(B) determine the emissions intensity target for 2010 by calculating a 2.4 percent reduction from the projected emissions intensity for 2009;

(C) in accordance with paragraph (2), determine the emissions intensity target for each calendar year of the initial allocation period after 2010; and

(D) in accordance with paragraph (3), issue the total number of allowances for each calendar year during the initial allocation period.

(1) D ENOMINATION. — The term “denomination” means—

(A) carbon; 
(B) petroleum products; 
(C) natural gas; 
(D) natural gas liquids; and
(E) any natural gas derived from fossil hydrocarbons (including bitumen and kerogen).

(2) COVERED GREENHOUSE GAS EMISSIONS. —

(A) in general. — The term “covered greenhouse gas emissions” means—

(i) the carbon dioxide emissions from combustion of covered fuel carried out in the United States; and
(ii) nonfuel-related greenhouse gas emissions in the United States, determined in accordance with section 1515(b)(2).

(B) UNITS. — Quantities of covered greenhouse gas emissions shall be measured and expressed in units of metric tons of carbon dioxide equivalent.

(3) SAFETY VALUE PRICE. — The term “safety value price” means—

(A) for 2010, $7 per metric ton of carbon dioxide equivalent; and
(B) for each subsequent calendar year, the safety value price shall be the forecasted GDP for the preceding calendar year increased by 5 percent, unless a different rate of increase is established for the calendar year under section 1521.

(4) ADMINISTRATIVE REQUIREMENTS. —

(A) the Secretary designates another officer of the Executive Branch to carry out a function under this subtitle.

(5) SUBSEQUENT ALLOCATION PERIOD. — The term “subsequent allocation period” means—

(A) the 5-year period beginning January 1, 2020, and ending December 31, 2024; and
(B) each subsequent allocation period.

SEC. 1513. QUANTITY OF ANNUAL GREENHOUSE GAS ALLOWANCES.

(A) INITIAL ALLOCATION PERIOD. —

(I) in general. — Not later than December 31, 2009, the Secretary shall—

(A) make a projection with respect to emissions intensity for 2009, using the Energy Information Administration’s most current projections of covered greenhouse gas emissions for 2009; and

(ii) the forecasted GDP for 2009;

(B) determine the emissions intensity target for 2010 by calculating a 2.4 percent reduction from the projected emissions intensity for 2009;

(C) in accordance with paragraph (2), determine the emissions intensity target for each calendar year of the initial allocation period after 2010; and

(D) in accordance with paragraph (3), issue the total number of allowances for each calendar year during the initial allocation period.

(2) EMISSIONS INTENSITY TARGETS AFTER 2010. — For each calendar year during the initial allocation period after 2010, the emissions intensity target shall be the emissions intensity target established for the preceding calendar year reduced by 2.4 percent.

(3) TOTAL ALLOWANCES. — For each calendar year during the initial allocation period, the quantity of allowances to be issued shall be equal to the product obtained by multiplying—

(A) the emissions intensity target established for the calendar year; and

(B) the forecasted GDP for the calendar year.

(b) SUBSEQUENT ALLOCATION PERIODS. —

(A) except as directed under section 1521, determine the emissions intensity target for each subsequent allocation period, in accordance with paragraph (1); and

(B) issue the total number of allowances for each calendar year of the subsequent allocation period, in accordance with paragraph (3).

(2) EMISSIONS INTENSITY TARGETS. — For each calendar year during a subsequent allocation period, the emissions intensity target established for the preceding calendar year reduced by 2.8 percent.

(3) TOTAL ALLOWANCES. — For each calendar year during a subsequent allocation period, the quantity of allowances to be issued shall be equal to the product obtained by multiplying—

(A) the emissions intensity target established for the calendar year; and

(B) the forecasted GDP for the calendar year.

(c) ADMINISTRATIVE REQUIREMENTS. —

(1) DENOMINATION. — Allowances issued by the Secretary under this section shall be denominated in units of metric tons of carbon dioxide equivalent.

(2) PERIOD OF USE. — An allowance issued by the Secretary under this section may be used during—

(A) the calendar year for which the allowance is issued; and

(B) any subsequent calendar year.
SEC. 1514. ALLOCATION AND AUCTION OF GREENHOUSE GAS ALLOWANCES.

(a) ALLOCATION OF ALLOWANCES.

(1) IN GENERAL.—Not later than the date that is 3 years before the beginning of the initial allocation period, and each subsequent allocation period, the Secretary shall allocate for each calendar year during the allocation period a quantity of allowances in accordance with this subsection.

(2) QUANTITY.—The total quantity of allowances available to be allocated for each calendar year of an allocation period shall be the product obtained by multiplying—

(A) the total quantity of allowances issued for the calendar year under subsection (a)(3) or (b)(3) of section 1513; and

(B) the allocation percentage for the calendar year under subsection (c).

(3) ALLOCATION RULEMAKING.—

(A) IN GENERAL.—The Secretary shall establish, by rule, and submit to Congress procedures for allocating allowances to regulated entities and affected nonregulated entities for the initial allocation period.

(B) EFFECTIVE DATE.—A rule under subparagraph (A) shall take effect, unless disapproved under the congressional review procedures under section 1521(d), not later than 180 days after the date on which the rule is submitted to Congress.

(4) DISTRIBUTION TO REGULATED AND NONREGULATED ENTITIES.—The procedures established under paragraph (3) shall—

(A) provide for the allocation of allowances to regulated entities and affected nonregulated entities within each fossil-fuel sector (petroleum, natural gas, natural gas liquids, coal) and to the sector consisting of nonfuel regulated entities based on the share of each sector of covered greenhouse gas emissions for the most recent year for which data are available;

(B) prescribe criteria for the allocation of allowances to regulated entities within each sector and nonregulated affected entities using products produced in each sector based on the following factors:

(i) Historical or updated greenhouse gas emissions.

(ii) Mitigation of significant and disproportionate economic burden.

(iii) Avoiding windfalls.

(iv) Administrative simplicity.

(v) Mitigating barriers to entry; and

(C) prescribe requirements for reporting by regulated entities and affected nonregulated entities of information necessary for allocation of allowances, including the forms and schedules for submission of reports.

(5) DEFINITION OF AFFECTED NONREGULATED ENTITY.—For purposes of this subsection, the term “affected nonregulated entity” means any entity, other than a regulated entity, that the Secretary determines is likely to sustain a significant and disproportionate economic burden by reason of the implementation of this title.

(6) DISTRIBUTION OF ALLOWANCES TO ORGANIZATIONS ASSISTING WORKERS.—The Secretary shall distribute 1 percent of the allowances available for allocation under this section to organizations (includ- ing recognized representatives of workers affected by programs under this subtitle) that provide retraining, educational support, or other assistance to workers affected by programs under this subtitle.

(7) COST OF ALLOWANCES.—The Secretary shall distribute allowances under this subsection at no cost to the recipient of the allowance.

(b) AUCTION OF ALLOWANCES.—

(1) IN GENERAL.—The Secretary shall establish, by rule, a procedure for the auction of a quantity of allowances during each calendar year in accordance with paragraph (2).

(2) BASE QUANTITY.—The base quantity of allowances to be auctioned during a calendar year shall be the product obtained by multiplying—

(A) the total number of allowances for the calendar year under subsection (a)(3) or (b)(3) of section 1513; and

(B) the auction percentage for the calendar year under subsection (c).

(3) SCHEDULE.—The auction of allowances shall be held on the following schedule:

(A) In 2007, the Secretary shall auction—

(i) 1⁄2 of the allowances available for auction for 2010; and

(ii) 1⁄2 of the allowances available for auction for 2011.

(B) In 2008, the Secretary shall auction 1⁄2 of the allowances available for auction for 2012.

(C) In 2009, the Secretary shall auction 1⁄2 of the allowances available for auction for 2013.

(D) In 2010 and each subsequent calendar year, the Secretary shall auction—

(i) 1⁄2 of the allowances available for auction for that calendar year; and

(ii) 1⁄2 of the allowances available for auction for the calendar year that is 4 years after that calendar year.

(4) UNDISTRIBUTED ALLOWANCES.—In an auction held during any calendar year, the Secretary shall auction any allowance that was—

(A) available for allocation under subsection (a) for the calendar year, but not distributed; or

(B) available during the preceding calendar year for an offset or early reduction activity under section 1519 or 1520, but not distributed during that calendar year.

(c) AVAILABLE PERCENTAGES.—Except as directed under section 1521, the percentage of the total quantity of allowances for each calendar year to be available for allocation, auction, offset projects, and early reduction projects shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Allocation Percentage</th>
<th>Auction Percentage</th>
<th>Percentage Available for Offsets Allowances</th>
<th>Percentage Available for Early Reduction Allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>91.0</td>
<td>5.0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2011</td>
<td>91.0</td>
<td>5.0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2012</td>
<td>91.0</td>
<td>5.0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2013</td>
<td>90.5</td>
<td>5.5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2014</td>
<td>90.0</td>
<td>6.0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2015</td>
<td>90.5</td>
<td>6.5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2016</td>
<td>89.0</td>
<td>7.0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2017</td>
<td>88.5</td>
<td>7.5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2018</td>
<td>88.0</td>
<td>8.0</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2019</td>
<td>87.5</td>
<td>8.5</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>2020 and thereafter</td>
<td>87.0</td>
<td>10.0</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

SEC. 1515. SUBMISSION OF ALLOWANCES.

(a) REQUIREMENTS.—

(1) REGULATED FUEL DISTRIBUTORS.—

(A) IN GENERAL.—For calendar year 2010 and each calendar year thereafter, each regulated fuel distributor shall submit to the Secretary a number of allowances equal to...
the carbon dioxide equivalent of the quantity of covered fuel, determined in accordance with subsection (b)(1), for the regulated fuel distributor.

(b) NONFUEL REGULATED ENTITIES.—For calendar year 2010 and each calendar year thereafter, for any regulated fuel distributor that is not a regulated fuel distributor if the Secretary determines that the extension is necessary to ensure that allowances are not submitted for the same quantity of covered fuel by more than 1 regulated fuel distributor.

(ii) EXTENSION.—The Secretary may extend, by rule, a quantity of allowances under subsection (a)(1) to an entity that is not a regulated fuel distributor if the Secretary determines that the extension is necessary to ensure that allowances are submitted for all covered fuels.

(B) NONFUEL REGULATED ENTITIES.—The Secretary may modify, by rule, a quantity of allowances under subsection (a)(1) to an entity that is not a regulated fuel distributor if the Secretary determines that the extension is necessary to ensure that allowances are submitted for all covered fuels.

(H) NONFUEL REGULATED ENTITIES.—The Secretary may modify, by rule, a quantity of allowances under subsection (a)(1) to an entity that is not a regulated fuel distributor if the Secretary determines that the extension is necessary to ensure that allowances are submitted for all covered fuels.

(I) ALLOWANCES.—The Secretary may modify, by rule, a quantity of allowances under subsection (a)(1) to an entity that is not a regulated fuel distributor if the Secretary determines that the extension is necessary to ensure that allowances are submitted for all covered fuels.

The Secretary may extend, by rule, a quantity of allowances under subsection (a)(1) to an entity that is not a regulated fuel distributor if the Secretary determines that the extension is necessary to ensure that allowances are submitted for all covered fuels.

The Secretary may extend, by rule, a quantity of allowances under subsection (a)(1) to an entity that is not a regulated fuel distributor if the Secretary determines that the extension is necessary to ensure that allowances are submitted for all covered fuels.
(1) the total number of allowances issued for the calendar year under subsection (a)(3) or (b)(3) of section 1513; and  
(2) the percentage available for offset allowances for the calendar year under section 1514(c).  

(c) ELIGIBLE OFFSET PROJECTS.—An offset project shall not be eligible to receive an allowance under subsection (a) if the offset project—  
(1) is carried out in the United States; and  
(2) reduces or geologically sequesters covered greenhouse gas emissions.  

(d) INTERNATIONAL OFFSET PROJECTS.—  
(1) IN GENERAL.—The Secretary may distribute allowances under subsection (a) to an offset project carried out in a foreign country.  
(2) FOREIGN CREDITS.—An allowance or credit issued by a foreign country for an offset project described in paragraph (1) shall not be submitted to meet a requirement under section 1515.  

SEC. 1520. EARLY REDUCTION ALLOWANCES.  
(a) ESTABLISHMENT.—The Secretary shall establish, by rule, a program under which the Secretary distributes to any entity that carries out a project to reduce or sequester greenhouse gas emissions before the initial allocation period a quantity of allowances that reflects the actual emissions reductions or net sequestration of the project, as determined by the Secretary.  
(b) AVAILABLE ALLOWANCES.—The total quantity of allowances distributed under subsection (a) may not exceed the product obtained by multiplying—  
(1) the total number of allowances issued for the calendar year under subsection (a)(3) of section 1513; and  
(2) the percentage available for early reduction allowances for the calendar year under section 1514(c).  

(c) ELIGIBILITY.—The Secretary may distribute allowances for early reduction projects only to an entity that has reported the reduced or sequestered greenhouse gas emissions under—  
(1) the Voluntary Reporting of Greenhouse Gases Program of the Energy Information Administration under section 1605(b) of the Energy Policy Act of 1992 (42 U.S.C. 13269(b));  
(2) the Climate Leaders Program of the Environmental Protection Agency; or  
(3) a State-administered or privately-administered registry that includes early reduction actions not covered under the programs described in paragraphs (1) and (2).  

SEC. 1521. CONGRESSIONAL REVIEW.  
(a) INTERAGENCY REVIEW.—  
(1) IN GENERAL.—Not later than January 15, 2014, and every 5 years thereafter, the President shall establish an interagency group to review and make recommendations relating to—  
(A) each program under this subtitle; and  
(B) any similar program of a foreign country described in paragraph (2).  
(2) COUNTRIES TO BE REVIEWED.—An interagency group established under paragraph (1) shall review actions and programs relating to greenhouse gas emissions of—  
(A) each member country of the Organisation for Economic Co-operation and Development;  
(B) China;  
(C) India;  
(D) Brazil;  
(E) Mexico;  
(F) Russia; and  
(G) Ukraine.  

(b) INCLUSIONS.—A review under paragraph (1) shall—  
(1) for the countries described in paragraph (2), analyze whether the countries that contribute at least 75 percent of aggregate greenhouse gas emissions have taken action that—  
(A) in the case of member countries of the Organisation for Economic Co-operation and Development, is comparable to that of the United States; and  
(B) each of the 5 largest trading partners of the United States, as of the date on which the review is conducted, has taken action with respect to greenhouse gas emissions that is comparable to action taken by the United States;  
(2) analyze whether each of the 5 largest trading partners of the United States, as of the date on which the review is conducted, has taken action with respect to greenhouse gas emissions that is comparable to action taken by the United States;  
(3) INCLUSIONS.—A review under paragraph (1) shall—  
(A) for the countries described in paragraph (2), analyze whether the countries that contribute at least 75 percent of aggregate greenhouse gas emissions have taken action that—  
(i) the Secretary shall establish, by rule, a program under which the Secretary distributes to any entity that carries out a project to reduce or sequester greenhouse gas emissions before the initial allocation period a quantity of allowances that reflects the actual emissions reductions or net sequestration of the project, as determined by the Secretary.  
(ii) The Secretary may distribute allowances for early reduction projects only to an entity that has reported the reduced or sequestered greenhouse gas emissions under—  
(i) the Voluntary Reporting of Greenhouse Gases Program of the Energy Information Administration under section 1605(b) of the Energy Policy Act of 1992 (42 U.S.C. 13269(b));  
(ii) the Climate Leaders Program of the Environmental Protection Agency; or  
(iii) a State-administered or privately-administered registry that includes early reduction actions not covered under the programs described in paragraphs (1) and (2).  

(c) CONGRESSIONAL ACTION.—  
(1) CONSIDERATION.—Not later than September 30 of any calendar year during which a report is to be submitted under subsection (b), the House of Representatives and the Senate may consider a joint resolution, in accordance with paragraph (2), that—  
(A) amends subsection (a)(2) or (b)(2) of section 1513;  
(B) modifies the safety valve price; or  
(C) modifies the percentage of allowances to be allocated under section 1514(c).  
(2) REQUIREMENTS.—A joint resolution considered under paragraph (1) shall—  
(A) be introduced during the 45-day period beginning on the date on which a report is required to be submitted under subsection (b); and  
(B) after the resolving clause and “That”, contain only 1 or more of the following:  
(i) “effective beginning January 1, 2015, section 1513(a)(2) of the Climate and Economy Insurance Act of 2005 is amended by striking ‘2.4’ and inserting ‘2.8’.”;  
(ii) “effective beginning section 1513(b)(2) of the Climate and Economy Insurance Act of 2005 is amended by striking ‘2.8’ and inserting ‘2.8’.”;  
(iii) “effective beginning section 1512(b)(3)(B) of the Climate and Economy Insurance Act of 2005 is amended by striking ‘5 percent’ and inserting ‘7 percent’.”;  
(iv) “the table under section 1514(c) of the Climate and Economy Insurance Act of 2005 is amended by striking the line relating to calendar year 2020 and thereafter and inserting the following:  

<table>
<thead>
<tr>
<th>Year</th>
<th>Allocation Percentage</th>
<th>Auction Percentage</th>
<th>Percentage Available for Offset Allowances</th>
<th>Percentage Available for Early Reduction Allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 and thereafter</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(3) APPLICABLE LAW.—Subsections (b) through (g) of section 802 of title 5, United States Code, shall apply to any joint resolution under this subsection.  

(d) REVIEW OF ALLOCATION RULES.—  
(1) EFFECTIVENESS OF ALLOCATION RULE.—A rule prescribed under section 1514(a)(3) or (b)(3) of the Climate and Economy Insurance Act of 2005 shall not take effect if, not later than 180 days after the date on which the rule is submitted to Congress, a joint resolution described in paragraph (2) is enacted.  
(2) REQUIREMENTS.—A joint resolution considered under paragraph (1) shall—  
(A) be introduced during the 45-day period beginning on the date on which a rule is required to be submitted under section 1514(a)(3); and  
(B) after the resolving clause, contain the following: “That the rule submitted by the Secretary of Energy for allocation under section 1514(a)(3) of the Climate and Economy Insurance Act of 2005 is disapproved.”.  

(3) APPLICABLE LAW.—Subsections (b) through (g) of section 802 of title 5, United States Code, shall apply to any joint resolution under this subsection.  

SEC. 1522. MONITORING AND REPORTING.  
(a) IN GENERAL.—The Secretary shall require, by rule, that a regulated entity shall perform such monitoring and submit such reports as the Secretary determines to be necessary to carry out this subtitle.  
(b) SUBMISSION OF INFORMATION.—The Secretary shall establish, by rule, any procedure the Secretary determines to be necessary to ensure the completeness, consistency, transparency, and accuracy of reports under subsection (a), including—  
(1) accounting and reporting standards for covered greenhouse gas emissions; and  
(2) standardized methods of calculating covered greenhouse gas emissions in specific
industries from other information the Secretary determines to be available and reliable, such as energy consumption data, materials consumption data, production data, or other relevant activity data, including any information that the Secretary determines to be necessary or appropriate to carry out this subtitle; and

(2) In the case of a greenhouse gas sequestration, the entity shall provide the Secretary with the information described in paragraph (1) in the Treasury a trust fund, to be known as the Climate Change Trust Fund, to be used for the purposes of (A) coastal wetlands preservation, (B) wildlife conservation, (C) early reduction allowance under section 11 of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 796), (D) energy savings, and (E) clean energy technologies deployment.

SEC. 1525. ADMINISTRATIVE PROVISIONS.

(a) RULES AND REGULATIONS.—The Secretary shall issue rules and regulations as the Secretary determines to be necessary or appropriate to carry out this subtitle.

(b) CIVIL ENFORCEMENT.—In carrying out this subtitle, the Secretary may use any authority provided under section 11 of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 796).

(c) DETERMINATION OF ELIGIBILITY FOR CREDITS, OFFSET ALLOWANCES, AND EARLY REDUCTION ALLOWANCES.—

(1) IN GENERAL.—An entity shall provide the Secretary with information verifying that, as determined by the Secretary, the entity has achieved actual greenhouse gas emissions reduction, the entity shall provide the Secretary with the information described in paragraph (1) relative to historic emissions levels of the entity; and

(2) REQUIRING INFORMATION.—In the case of a greenhouse gas emissions reduction, the entity shall provide the Secretary with information verifying that, as determined by the Secretary,

(c) DETERMINING ELIGIBILITY FOR CREDITS, OFFSET ALLOWANCES, AND EARLY REDUCTION ALLOWANCES.—

(1) IN GENERAL.—An entity shall provide the Secretary with the information described in paragraph (1) in connection with any application to receive—

(A) a credit under section 1518(a)(2); or

(B) an allowance under section 1519; or

(c) DETERMINING ELIGIBILITY FOR CREDITS, OFFSET ALLOWANCES, AND EARLY REDUCTION ALLOWANCES.—

(1) IN GENERAL.—An entity shall provide the Secretary with information verifying that, as determined by the Secretary,

(i) the entity has achieved an actual reduction in greenhouse gas emissions; and

(ii) the net reduction exceeds the net reduction in direct greenhouse gas emissions of the entity that is geologically sequestered; and

(iii) at least 5 percent of the funds shall be deposited into the Climate Change Program established under section 11 of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 796).
(1) In general.—In making awards under this subsection, the Secretary shall—
(I) solicit bids for reverse auction from appropriate producers and manufacturers, as determined by the Secretary; and
(II) award financial incentives to the producers and manufacturers that submit the lowest bids that meet the requirements established by the Secretary.

(ii) Factors for conversion.—
(I) In general.—For the purpose of assessing bids under clause (i), the Secretary shall specify for converting megawatthours of electricity and million British thermal units of natural gas to common units.

(ii) The conversion factor shall be based on the relative greenhouse gas emission benefits of electricity and natural gas conservation.

(c) Eligible units.—A new unit for the generation of electricity that uses renewable energy resources shall not be eligible to receive an award under this subsection if the unit receives renewable energy credits under a Federal renewable portfolio standard.

(4) Forms of awards.—
(A) Zero- and low-carbon generators.—An award for a low-carbon generation project under this subsection shall be in the form of a lump sum payment in an amount equal to the product obtained by multiplying—
(i) the amount bid by the producer of the zero- or low-carbon generation; and
(ii) the megawatt-hours estimated to be generated by the zero- or low-carbon generation unit each year.

(B) High-efficiency consumer products.—An award for a high-efficiency consumer product under this subsection shall be in the form of a grant for the purpose of reimbursing project owners for a percentage of the incremental costs of the project that are attributable to carbon capture and sequestration, as the Secretary determines to be appropriate.

(C) Fuel from cellulosic biomass.—
(1) In general.—The Secretary shall provide assistance under this paragraph to encourage a variety of projects to produce transportation fuels from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(2) Project eligibility.—Incentives under this paragraph shall be provided on a competitive basis to projects that produce fuels that—
(A) meet United States fuel and emissions specifications;
(B) help diversify domestic transportation energy supplies; and
(C) improve or maintain air, water, soil, and habitat quality.

(D) Incentives under this subsection may consist of—
(i) additional loan guarantees under section 1403(b) for the construction of production facilities and supporting infrastructure; or
(ii) production payments through a reverse auction in accordance with paragraph (4).

(5) Deployment incentives.—
(A) In general.—In providing incentives under this subsection to encourage a variety of projects to produce transportation fuels from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(B) Project capital and operating costs.—The Secretary shall provide assistance under this paragraph to reimburse the project owner for a percentage of the incremental capital and operating costs of the project that are attributable to carbon capture and sequestration, as the Secretary determines to be appropriate.

(e) Fuel from cellulosic biomass.—
(1) In general.—The Secretary shall provide deployment incentives under this section to encourage projects to produce transportation fuels from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(2) Project eligibility.—Incentives under this paragraph shall be provided on a competitive basis to projects that produce fuels that—
(A) meet United States fuel and emissions specifications; and
(B) help diversify domestic transportation energy supplies; and
(C) improve or maintain air, water, soil, and habitat quality.

(3) Incentives under this subsection may consist of—
(A) additional loan guarantees under section 1403(b) for the construction of production facilities and supporting infrastructure; or
(B) production payments through a reverse auction in accordance with paragraph (4).

(4) Reverse auction.—
(A) In general.—In providing incentives under this subsection to encourage a variety of projects to produce transportation fuels from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(B) Requirement.—The rules under subparagraph (A) shall require that incentives shall be provided only to the project that submits the lowest bid (in terms of cents per gallon) for each class of transportation fuel from which the Secretary solicits a bid.

(C) Definitions.—In this subsection:
(A) Advanced coal and sequestration technologies program.—The term “advanced coal and sequestration technologies program” means—
(i) a program to provide deployment incentives under this subsection to encourage projects to produce transportation fuels from advanced coal and carbon capture and sequestration technologies; and
(ii) a program to award federal financial incentives to facilitate the deployment of not more than 20 gigawatts of advanced coal generation technologies.

(B) Advanced coal and sequestration technologies.—The term “advanced coal and sequestration technologies” means technologies that—
(i) have a minimum of 50 percent coal heat input; and
(ii) provide a technical pathway for carbon capture and storage; and
(iii) provide a technical pathway for co-production of a hydrogen slip-stream.

(C) Deployment incentives.—In providing deployment incentives under paragraph (5), the Secretary shall—
(I) provide appropriate incentives for regulated investor-owned utilities, municipal utilities, electric cooperatives, and independent power producers, as determined by the Secretary; and
(II) ensure that a range of the domestic coal base is in the facility types that receive incentives under this subparagraph.

(D) Funding priorities.—
(I) Projects using certain coals.—In providing deployment incentives under this paragraph, the Secretary shall set aside not less than 25 percent of any funds made available to carry out this paragraph for projects using lower rank coals, such as subbituminous coal and lignite.

(ii) Sequestration activities.—After the Secretary makes awards for 2000 megawatts of capacity under this paragraph, the Secretary shall give priority to projects that will capture and sequester emissions of carbon dioxide, as determined by the Secretary.

(D) Distribution of funds.—A project that receives an award under this paragraph may elect to receive any of the following Federal financial incentives:
(I) A loan guarantee under section 1403(b).
(ii) A cost-sharing grant for not more than 50 percent of the project.
(iii) Production payments of not more than 1.5 cents per kilowatt-hour of electric output during the first 10 years of commercial service of the project.

(E) Limitation.—A project may not receive an award under this subsection if the project receives an award under subsection (c).

(6) Project capital and operating costs.—
(A) In general.—The Secretary shall use 1/2 of the funds provided to carry out this subsection during each fiscal year for large-scale demonstration projects that use carbon dioxide captured from facilities for the generation of electricity using coal gasification or other advanced coal technologies and processes, including facilities that receive assistance under paragraph (1).

(B) Project capital and operating costs.—The Secretary shall provide assistance under this paragraph to reimburse the project owner for a percentage of the incremental capital and operating costs of the project that are attributable to carbon capture and sequestration, as the Secretary determines to be appropriate.

(e) Fuel from cellulosic biomass.—
(1) In general.—The Secretary shall provide deployment incentives under this section to encourage a variety of projects to produce transportation fuels from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(2) Project eligibility.—Incentives under this paragraph shall be provided on a competitive basis to projects that produce fuels that—
(A) meet United States fuel and emissions specifications; and
(B) help diversify domestic transportation energy supplies; and
(C) improve or maintain air, water, soil, and habitat quality.

(3) Incentives under this subsection may consist of—
(A) additional loan guarantees under section 1403(b) for the construction of production facilities and supporting infrastructure; or
(B) production payments through a reverse auction in accordance with paragraph (4).

(4) Reverse auction.—
(A) In general.—In providing incentives under this subsection to encourage a variety of projects to produce transportation fuels from cellulosic biomass, relying on different feedstocks in different regions of the United States.

(B) Requirement.—The rules under subparagraph (A) shall require that incentives shall be provided only to the project that submits the lowest bid (in terms of cents per gallon) for each class of transportation fuel from which the Secretary solicits a bid.

(C) Definitions.—In this subsection:
(A) Advanced technology vehicle.—The term “advanced technology vehicle” means—
(i) a hybrid motor vehicle or an advanced lean burn technology motor vehicle; and
(ii) meets the following performance criteria:
(I) Except as provided in paragraph (3)(A)(i), the Tier II Bin 5 emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(c) of the Clean Air Act (42 U.S.C. 7521(c)), or a lower numbered bin.

(II) At least 125 percent of the base year city fuel economy for the weight class of the vehicle.

(D) Hybrid motor vehicle.—The term “hybrid motor vehicle” means a motor vehicle that draws propulsion energy from onboard sources of stored energy that are—
(i) an internal combustion or heat engine using combustible fuel; and
(ii) a rechargeable energy storage system.

(E) Qualifying components.—The term “qualifying components” means components that the Secretary determines to be—
(i) specially designed for advanced technology vehicles; and
(ii) installed for the purpose of meeting the performance requirements of advanced technology vehicles.

(F) Manufacturer facilitate conversion awards.—The Secretary shall provide facility conversion funding awards under this subsection to automobile manufacturers and component suppliers to pay 30 percent of the cost of—
(A) re-equipping or expanding an existing manufacturing facility to produce—
(i) advanced technology vehicles; or
(ii) qualifying advanced technology vehicles; and
(B) engineering integration of qualifying vehicles and qualifying components.

(G) Period of availability.—
(A) Phase 1.—
(I) In general.—An award under paragraph (2) shall apply to—
(I) facilities and equipment placed in service before January 1, 2014; and
(II) engineering integration costs incurred during the 180-day period beginning on the date of enactment of this Act and ending on December 31, 2013.

(II) Transition standard for light duty hybrid and other alternative fueled vehicles.—For purposes of making an award under clause (i), the term “advanced technology vehicle” includes a diesel-powered or diesel-hybrid light duty vehicle that—
(I) has a weight greater than 6,000 pounds; and
The Congress of the United States of America

IN CONGRESS OF THE UNITED STATES, OCTOBER 22, 2005

A BILL TO PROVIDE FOR THE PROMOTION OF CLEAN ENERGY TECHNOLOGY, AND FOR OTHER PURPOSES.

S. 7096

IN COMMITTEE ON THE ENVIRONMENT AND PUBLIC WORKS

June 22, 2005

The Committee on the Environment and Public Works reported as follows:

The Committee recommends the adoption of the report of the Committee on the Environment and Public Works, reported to the Senate on March 15, 2006, with an amendment, as shown in the printed version.

[the text of the amendment follows]

SEC. 1531. PURPOSES.

The purposes of this subtitle are—

(1) to strengthen the cooperation of the United States with developing countries in addressing critical energy needs and global climate change;

(2) to provide sustainable economic development, increase access to modern energy services, reduce greenhouse gas emissions, and strengthen energy security and independence in developing countries through the deployment of clean energy technologies;

(3) to facilitate the export of clean energy technologies to developing countries;

(4) to reduce the trade deficit of the United States; and

(5) to retain and create manufacturing and research jobs in the United States.

SEC. 1532. CLEAN ENERGY TECHNOLOGY DEVELOPMENT IN DEVELOPING COUNTRIES.

Title VII of the Global Environmental Protection Assistance Act of 1999 (103 Stat. 101-240; 103 Stat. 2521) is amended by adding at the end the following:

PART C—CLEAN ENERGY TECHNOLOGY DEVELOPMENT IN DEVELOPING COUNTRIES

SEC. 731. DEFINITIONS.

In this part—

(1) CLEAN ENERGY TECHNOLOGY. The term ‘clean energy technology’ means an energy supply or end-use technology that, over its lifecycle and compared to a similar technology used for commercial use in any developing country—

(A) is reliable, affordable, economically viable, socially acceptable, and compatible with the needs and norms of the host country;

(B) results in—

(i) reduced emissions of greenhouse gases; or

(ii) increased geological sequestration; and

(C) may—

(i) substantially lower emissions of air pollutants; and

(ii) generate substantially smaller or less hazardous quantities of solid or liquid waste.

(2) DEPARTMENT. The term ‘Department’ means the Department of State.

(3) DEVELOPING COUNTRY. The term ‘developing country’ means any country not listed in Annex I of the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992.

(4) GEOLOGICAL SEQUESTRATION. The term ‘geological sequestration’ means the capture and long-term storage in a geological formation of a greenhouse gas from an energy producing facility, which prevents the release of greenhouse gases into the atmosphere.

(5) INTERAGENCY WORKING GROUP. The term ‘Interagency Working Group’ means the Interagency Working Group on Clean Energy Technology Exports established under section 733.

(6) QUALIFYING PROJECT. The term ‘qualifying project’ means a project meeting the criteria established under section 735.

(7) SECRETARY. The term ‘Secretary’ means the Secretary of State.

(8) STRATEGY. The term ‘Strategy’ means the strategy established under section 733.

(9) T ASK FORCE. The term ‘Task Force’ means the Task Force on International Clean Energy Cooperation established under section 732.

(10) UNITED STATES. The term ‘United States’, when used in a geographical sense, means all of the States.

SEC. 732. ORGANIZATION.

(a) TASK FORCE. The President shall establish a Task Force on International Clean Energy Cooperation.

(b) ESTABLISHMENT. Not later than 90 days after the date of enactment of this part, the President shall establish a Task Force on International Clean Energy Cooperation.

(c) COMPOSITION. The Task Force shall be composed of—

(A) the Secretary of Energy (or the Secretary’s designee);

(B) representatives, appointed by the head of the respective Federal agency, of—

(i) the Department of Commerce;

(ii) the Department of State;

(iii) the Department of the Treasury;

(iv) the Environmental Protection Agency;

(v) the Export-Import Bank;

(vi) the Overseas Private Investment Corporation;

(vii) the Trade and Development Agency;

(viii) the Small Business Administration;

(ix) the Office of United States Trade Representatives;

(x) the Office of the United States Trade Representative; and

(xi) other Federal agencies, as determined by the President.

SEC. 733. DEFINITIONS.

In this part—

(1) CLEAN ENERGY TECHNOLOGY. The term ‘clean energy technology’ means an energy supply or end-use technology that, over its lifecycle and compared to a similar technology used for commercial use in any developing country—

(A) is reliable, affordable, economically viable, socially acceptable, and compatible with the needs and norms of the host country;

(B) results in—

(i) reduced emissions of greenhouse gases; or

(ii) increased geological sequestration; and

(C) may—

(i) substantially lower emissions of air pollutants; and

(ii) generate substantially smaller or less hazardous quantities of solid or liquid waste.

(2) DEPARTMENT. The term ‘Department’ means the Department of State.

(3) DEVELOPING COUNTRY. The term ‘developing country’ means any country not listed in Annex I of the United Nations Framework Convention on Climate Change, done at New York on May 9, 1992.

(4) GEOLOGICAL SEQUESTRATION. The term ‘geological sequestration’ means the capture and long-term storage in a geological formation of a greenhouse gas from an energy producing facility, which prevents the release of greenhouse gases into the atmosphere.

(5) INTERAGENCY WORKING GROUP. The term ‘Interagency Working Group’ means the Interagency Working Group on Clean Energy Technology Exports established under section 733.

(6) QUALIFYING PROJECT. The term ‘qualifying project’ means a project meeting the criteria established under section 735.

(7) SECRETARY. The term ‘Secretary’ means the Secretary of State.

(8) STRATEGY. The term ‘Strategy’ means the strategy established under section 733.

(9) T ASK FORCE. The term ‘Task Force’ means the Task Force on International Clean Energy Cooperation established under section 732.

(10) UNITED STATES. The term ‘United States’, when used in a geographical sense, means all of the States.
under paragraph (1), the President shall transmit to Congress the Strategy.

(2) UPDATES.—

(A) In general.—Not later than 2 years after the date of submission of the initial Strategy under subsection (a)(1), and every 2 years thereafter—

(i) the Task Force shall—

(A) review and update the Strategy; and

(ii) report the results of the review and update to the President; and

(B) the President shall submit to Congress a report on the Strategy.

(B) the activities and progress reported by developing countries to the Department under section 736(b)(2); and

(E) the activities and progress reported towards meeting the goals established under section 736(b)(2).

(3) CONTENT.—In developing, updating, and submitting a report on the Strategy, the Task Force shall—

(A) the updated Strategy;

(B) a description of the assistance provided under this part;

(C) the results of the pilot projects carried out under this part, including a comparative analysis of the relative merits of each pilot project;

(D) the activities and progress reported by developing countries to the Department under section 736(b)(2); and

(E) the activities and progress reported towards meeting the goals established under section 736(b)(2).

(4) CONTENT.—In developing, updating, and submitting a report on the Strategy, the Task Force shall—

(A) assess—

(A) energy trends, energy needs, and potential energy resource bases in developing countries;

(B) the implications of the trends and needs for domestic and global economic and security interests;

(C) energy policy, technology, and market opportunities for international development, demonstration, and deployment of clean energy technologies and strategies;

(D) examine relevant trade, tax, finance, international, and other policy issues as to what policies, in the United States and in developing countries, would help markets and improve clean energy technology exports of the United States in support of—

(A) enhancing energy innovation and cooperation, including energy sector and market reform, capacity building, and financing measures;

(B) improving energy use and efficiency technologies (including buildings and facilities) and vehicle, industrial, and co-generation technology initiatives; and

(C) energy supply technologies, including fossil, nuclear, and renewable technology initiatives;

(E) investigate issues associated with building capacity to deploy clean energy technology in developing countries, including—

(A) energy-sector reform;

(B) energy supply, open, transparent, and competitive markets for clean energy technologies;

(C) the availability of trained personnel to develop and maintain clean energy technology; and

(D) demonstration and cost-benefit mechanisms to promote first adoption of clean energy technology;

(E) establish priorities for promoting the diffusion and adoption of clean energy technologies and strategies in developing countries, taking into account economic and security interests of the United States and opportunities for the export of technology of the United States;

(F) select the means of integrating the priorities established under paragraph (5) into bilateral, multilateral, and assistance activities and commitments of the United States;

(G) establish methodologies for the measurement, monitoring, verification, and re-

porting under section 736(b)(2) of the greenhouse gas emission impacts of clean energy projects and policies in developing countries;

(H) establish a registry that is accessible to the public, electronic means (including through the Internet) in which information reported under section 736(b)(2) shall be collected;

(I) make recommendations to the heads of appropriate Federal agencies on ways to streamline Federal programs and policies to improve the role of the agencies in the international, demonstration, and deployment of clean energy technology;

(J) make assessments and recommendations regarding the distinct technological, market, regulatory, and standard challenges, and necessary to deploy clean energy technology;

(K) recommend conditions and criteria that will help ensure that funds provided by the United States promote sound energy policies in developing countries while simultaneously opening their markets and exporting clean energy technology of the United States;

(L) establish an advisory committee, composed of representatives of the private sector and other interested groups, on the export and deployment of clean energy technology;

(M) establish a coordinated mechanism for disseminating information to the private sector and the public on clean energy technologies and clean energy technology transfer opportunities; and

(N) monitor the progress of each Federal agency in promoting the purposes of this part, in accordance with—

(A) the 5-year strategic plan submitted to Congress in October 2002; and

(B) other applicable law.

(6) ONGOING ACTIVITIES.—Existing activities and interagency management efforts underway by Task Force members shall be recognized as contributing to the initial Strategy.

(7) establish a coordinated mechanism for disseminating information to the private sector and the public on clean energy technologies and clean energy technology transfer opportunities; and

(8) establish priorities for promoting the diffusion and adoption of clean energy technologies and strategies in developing countries, taking into account economic and security interests of the United States and opportunities for the export of technology of the United States;

(9) make recommendations to the heads of appropriate Federal agencies on ways to streamline Federal programs and policies to improve the role of the agencies in the international, demonstration, and deployment of clean energy technology;

(10) make assessments and recommendations regarding the distinct technological, market, regulatory, and standard challenges, and necessary to deploy clean energy technology;

(11) recommend conditions and criteria that will help ensure that funds provided by the United States promote sound energy policies in developing countries while simultaneously opening their markets and exporting clean energy technology of the United States;

(12) establish an advisory committee, composed of representatives of the private sector and other interested groups, on the export and deployment of clean energy technology;

(13) establish a coordinated mechanism for disseminating information to the private sector and the public on clean energy technologies and clean energy technology transfer opportunities; and

(14) monitor the progress of each Federal agency in promoting the purposes of this part, in accordance with—

(A) the 5-year strategic plan submitted to Congress in October 2002; and

(B) other applicable law.

(2) be a project that—

(A) to construct an energy production facility in a developing country for the production of energy to be consumed in the developing country; or

(B) to improve the efficiency of energy use in a developing country.

(2) be a project that—

(A) is submitted by a firm of the United States to the Secretary in accordance with procedures established by the Secretary by regulation;

(B) meets the requirements of section 1608(k) of the Energy Policy Act of 1992 (2 U.S.C. 13387(k));

(C) uses technology that has been successfully developed or deployed in the United States; and

(D) is selected by the Secretary without regard to the developing country in which the project is located, with notice of the selection published in the Federal Register; and

(3) when deployed, result in a greenhouse gas emission reduction (when compared to the technology that would otherwise be deployed) of at least—

(A) in the case of a unit or energy-efficiency measure placed in service during the period beginning on the date of enactment of this part and ending on December 31, 2009, 20 percentage points; and

(B) in the case of a unit or energy-efficiency measure placed in service during the period beginning on January 1, 2010, and ending on December 31, 2019, 40 percentage points; and

(C) in the case of a unit or energy-efficiency measure placed in service after December 31, 2019, 60 percentage points.

(2) FINANCIAL ASSISTANCE.—

(A) In general.—For each qualifying project selected by the Secretary to participate in the pilot program, the Secretary shall make a loan or loan guarantee available for not more than 50 percent of the total cost of the project.

(2) interest rate.—The interest rate on a loan made under this subsection shall be

(3) creation and implementation of market-matching programs to promote commercial-based energy service provision and to improve the governance, efficiency, and financial performance of the energy sector; and

(4) development and use of innovative public and private mechanisms to catalyze and leverage financing for clean energy technologies, including use of the development credit authority of the United States Agency for International Development and credit enhancements through the Export-Import Bank and the Overseas Private Investment Corporation.

(3) Pilot Program for Demonstration Projects.

(a) In general.—Not later than 2 years after the date of enactment of this part, the Secretary of Energy and the Administrator of the United States Agency for International Development, in consultation with the Secretary, shall establish a pilot program that provides financial assistance for qualifying projects consistent with the Strategy and performance criteria established under section 736.

(b) Qualifying Projects.—To be qualified to receive assistance under this section, a project shall—

(1) be a project—

(A) to construct an energy production facility in a developing country for the production of energy to be consumed in the developing country; or

(B) to improve the efficiency of energy use in a developing country.

(2) be a project that—

(A) is submitted by a firm of the United States to the Secretary in accordance with procedures established by the Secretary by regulation;

(B) meets the requirements of section 1608(k) of the Energy Policy Act of 1992 (2 U.S.C. 13387(k));

(C) uses technology that has been successfully developed or deployed in the United States; and

(D) is selected by the Secretary without regard to the developing country in which the project is located, with notice of the selection published in the Federal Register; and

(3) when deployed, result in a greenhouse gas emission reduction (when compared to the technology that would otherwise be deployed) of at least—

(A) in the case of a unit or energy-efficiency measure placed in service during the period beginning on the date of enactment of this part and ending on December 31, 2009, 20 percentage points; and

(B) in the case of a unit or energy-efficiency measure placed in service during the period beginning on January 1, 2010, and ending on December 31, 2019, 40 percentage points; and

(C) in the case of a unit or energy-efficiency measure placed in service after December 31, 2019, 60 percentage points.

(2) Financial Assistance.—

(A) In general.—For each qualifying project selected by the Secretary to participate in the pilot program, the Secretary shall make a loan or loan guarantee available for not more than 50 percent of the total cost of the project.

(2) Interest Rate.—The interest rate on a loan made under this subsection shall be

(3) creation and implementation of market-matching programs to promote commercial-based energy service provision and to improve the governance, efficiency, and financial performance of the energy sector; and

(4) development and use of innovative public and private mechanisms to catalyze and leverage financing for clean energy technologies, including use of the development credit authority of the United States Agency for International Development and credit enhancements through the Export-Import Bank and the Overseas Private Investment Corporation.
equal to the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the maturity of the loan.

(3) Host country contribution—To be eligible for a loan or loan guarantee for a project in a host country under this subsection, the host country shall—

(A) make at least a 10 percent contribution toward the total cost of the project; and

(B) verify to the Secretary (using the methodology established under section 738(e)(7)) that the amount of annual greenhouse gas emissions reduced, avoided, or sequestered as a result of the development of the project is verifiable at the time of application for, and in connection with, the issuance of the loan or loan guarantee.

(4) Capacity building research.—

(A) In general.—A proposal made for a qualifying project may include a research component intended to build technological capacity within the host country.

(B) Research.—To be eligible for a loan or loan guarantee under this paragraph, the research shall—

(i) be related to the technology being deployed; and

(ii) involve—

(I) an institution in the host country; and

(II) a participant from the United States that is an industrial entity, an institution of higher education, or a National Laboratory.

(C) Duration.—A grant or loan guarantee under this paragraph shall be for the duration of the research.

5. Grants—

(A) In general.—The Secretary, in consultation with the Secretary of Energy and the Administrator of the United States Agency for International Development, may, at the request of the United States ambassador to a host country, make grants to help address and overcome specific, urgent, and unforeseen obstacles in the implementation of a qualifying project.

(B) Maximum amount.—The total amount of a grant made for a qualifying project under this paragraph may not exceed $1,000,000.

SEC. 736. PERFORMANCE CRITERIA FOR MAJOR ENERGY CONSUMERS.

(a) Identification of Major Energy Consumers—

(1) in subparagraph (A), by inserting qualified transportation fringe

(b) Performance criteria—As a condition of acceptance of a grant or loan guarantee under this section, the Secretary shall ensure that the financial conditions of such a grant or loan guarantee shall include—

(i) performance criteria for major energy consumers, 

(ii) criteria for determining whether a major energy consumer within the meaning of subsection (a) of this section exists,

(iii) criteria for determining the nature of energy use of major energy consumers,

(iv) criteria for determining the nature of the energy use that is the subject of the grant or loan guarantee,

(v) criteria for determining the nature of the project for which the grant or loan guarantee is intended, and

(vi) requirements for the periodic evaluation of the performance of major energy consumers.

(b) Limitation on Exclusion.—

(1) in subparagraph (A), by striking subparagraph (B) and inserting the following:

(2) at the end of subparagraph (B), by inserting ``the Administrator of the United States Department of Energy.''

(c) Rural Carpool Requirements.—

(1) in subparagraph (A), by striking the following and inserting the following:

(2) at the end of subparagraph (B), by inserting the following:

(3) As of the date of enactment of this Act, the Department of Energy, in consultation with the Commission, shall develop and promulgate regulations requiring employers to ensure that employees who are members of a qualifying carpool are provided with the same level of access to the workplace as employees who are members of a non-qualifying carpool.

(d) Limitation on Exclusion.—

(1) in subparagraph (A), by striking subparagraph (B) and inserting the following:

(2) at the end of subparagraph (B), by inserting the following:

(3) As of the date of enactment of this Act, the Department of Energy, in consultation with the Commission, shall develop and promulgate regulations requiring employers to ensure that employees who are members of a qualifying carpool are provided with the same level of access to the workplace as employees who are members of a non-qualifying carpool.

(e) Effective date.—

(1) in subparagraph (B)(i), by inserting the following:

(2) at the end of subparagraph (B)(i), by inserting the following:

(f) De novo judicial determination.—

(1) in subparagraph (A), by striking the following and inserting the following:

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

(3) the Department of Energy, in consultation with the Commission, shall promulgate regulations requiring employers to ensure that employees who are members of a qualifying carpool are provided with the same level of access to the workplace as employees who are members of a non-qualifying carpool.

(g) Certification.—

(1) in subparagraph (A), by striking the following and inserting the following:

(2) at the end of subparagraph (B), by inserting the following:

(h) Right to claim.—

(1) in subparagraph (A), by striking the following and inserting the following:

(2) at the end of subparagraph (B), by inserting the following:

(i) in subparagraph (A), by striking the following and inserting the following:

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

SEC. 737. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $200,000,000 for the fiscal year beginning on October 1, 2006, and such sums as may be necessary to carry out this Act through fiscal year 2012.

SEC. 738. INCOME TAX EXCLUSION FOR CERTAIN FUSS. COSTS OF RURAL CARPOOLS.

(a) In General.—Section 132(c)(1) of the Internal Revenue Code of 1986 (defining qualified transportation fringe) is amended by adding at the end the following new subparagraph:

(b) Limitation on Exclusion.—Section 132(c)(2) of such Code (relating to limitation on exclusion of amounts provided by employers for qualifying transportation) is amended by striking the period at the end of subparagraph (A) and inserting ‘‘, and’’.

(c) Rural Carpool Requirements.—

(1) in subparagraph (A), by striking the following and inserting the following:

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

(3) in subparagraph (C), by striking the following and inserting the following:

SEC. 739. CONGRESSIONAL RECORD—SENATE

June 22, 2005

SEC. 73A. FINAL ACTION ON REFUNDS FOR EXCESSIVE CHARGES.

(a) Findings.—Congress finds that—

(1) the state of California experienced an energy crisis; and

(2) ERCB issued an order requiring a refund of the portion of charges on the sale of electric energy that was unjust or unreasonable during that crisis.

(b) ERCB shall—

(1) seek to conclude its investigation into the unjust or unreasonable charges incurred by California during the 2000–2001 electricity crisis as soon as possible;

(2) seek to ensure that refunds the Commission orders are owed to the state of California are paid to the state of California; and

(3) submit to Congress a report by December 31, 2005 describing the actions taken by the Commission to date under this section and timetables for further actions.

SEC. 73T. MR. REID (for himself and Mr. Ensign) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 73U. WHISTLEBLOWER PROTECTION FOR EMPLOYEES OF THE DEPARTMENT OF ENERGY AND THE NUCLEAR REGULATORY COMMISSION.

(a) Definitions of Employees—Section 211(a)(2) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(a)(2)) is amended—

(1) in subparagraph (C), by striking ‘‘at the end of subparagraph (D) thereof’’ and inserting ‘‘at the end of subparagraph (D)’’; and

(2) in subparagraph (D), by striking ‘‘that is indemnified’’ and all that follows through ‘‘in subparagraph (D) thereof’’.

(b) De Novo Judicial Determination—Section 211(a)(2) of the Energy Reorganization Act of 1974 (42 U.S.C. 5851(b)) is amended by adding at the end the following:

(c) De Novo Judicial Determination—If the Secretary does not issue a final decision within 180 days after the filing of a complaint under paragraph (1) and the Secretary does not show that the delay is caused by the bad faith of the claimant, the claimant may bring a civil action in United States district court for a determination of the claim by the court de novo.

SEC. 73V. MR. MARTINEZ (for himself and Mr. Johnson) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 73W. ELECTRIC CONSUMER; ELECTRIC UTILITY.—

(A) In General.—The terms ‘‘electric consumer’’ and ‘‘electric utility’’ have the meaning given those terms in section 3 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2602).
(B) EXCLUSION.—The term ‘electric utility’ does not include any financial institution (as defined in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809)).

(b) RULES.—
(1) RULES.—The Commission may issue rules protecting the privacy of electric consumers from disclosure by an electric utility of consumer information obtained in connection with the sale or delivery of electric energy to electric consumers.

(2) EFFECT OF RULES.—Rules issued under paragraph (1) shall not affect, alter, limit, interfere with, or otherwise regulate the provision of information by an electric utility to a consumer reporting agency (as defined in section 903 of the Fair Credit Reporting Act (15 U.S.C. 1681a)).

(c) SLAMMING.—The Commission may issue rules prohibiting the change of selection of an electric utility except with the informed consent of the electric consumer or if approved by the appropriate State regulatory authority.

SA 873. Mr. SUNUNU (for himself and Mr. VITTER). Submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Beginning on page 756, strike line 1 and all that follows through page 765, line 20.

SA 874. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Beginning on page 328, strike line 13 and all that follows through page 342, line 19.

SA 875. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Beginning on page 503, strike line 10 and all that follows through page 523, line 13.

SA 876. Mr. INOUYE (for himself and Mr. AKAKA) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Beginning on page 735, strike line 17 and all that follows through page 741, line 20.

SEC. 390. DEEPWATER PORTS.

Section 4(c) of the Deepwater Port Act of 1973 (33 U.S.C. 1503(c)) is amended by striking paragraph (8) and (9) and inserting the following:

‘‘(8) The Governor of each adjacent coastal State under section 9 approves, or is presumed to approve, the issuance of the license; and

(9) as of the date on which the application for a license is submitted, the adjacent coastal zone management program under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).’’

SA 878. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 635, line 17, strike ‘‘$100,000,000’’ and insert ‘‘$500,000,000’’.

SA 879. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 636, line 17, strike ‘‘$1,000,000,000’’ and insert ‘‘$1,000,000,000’’.

SA 880. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place in subtitile A of title II, insert the following:

SEC. 3. WEATHERIZATION ASSISTANCE CRED.

(a) IN GENERAL.—Subpart D of Part III of subpart A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits), as amended by this Act, is amended by inserting after section 45N the following new section:

‘‘SEC. 45O. WEATHERIZATION ASSISTANCE CRED.

(a) GENERAL RULE.—For purposes of section 38, in the case of a utility, the amount of the weatherization assistance credit determined under this section for the taxable year shall be an amount equal to 20 percent of the qualified weatherization assistance expenses.

(b) DEFINITIONS.—For purposes of this section:

‘‘(1) WEATHERIZATION ASSISTANCE EXPENSES.—The term ‘weatherization assistance expenses’ means amounts—

(A) paid by the taxpayer—

(i) to a State weatherization agency for use by such agency in its program that enhances or extends the Department of Energy’s program described in subparagraph (A), and

(ii) certified to the taxpayer by a State weatherization agency as paid to one or more entities described in subparagraph (A) or to such agency described in subparagraph (A)(ii),

(2) QUALIFIED WEATHERIZATION ASSISTANCE EXPENSES.—The term ‘qualified weatherization assistance expenses’ means—

(A) with respect to the first 5 taxable years ending after the date of enactment of this section, the weatherization assistance expenses for each such year, and

(B) with respect to a taxable year after the fifth taxable year ending after the date of enactment of this section, the excess (if any) of the weatherization assistance expenses for such year over the weatherization assistance expenses for the fifth taxable year preceding such year.

(3) UTILITY.—The term ‘utility’ means a corporation that is engaged in the sale of electric energy or gas and is described in section 700(a)(35)(A).

(4) STATE WEATHERIZATION AGENCY.—The term ‘State weatherization agency’ means the department, agency, board, or other entity of a State that is authorized by such State to administer the weatherization program described in section 415 of the Energy Conservation and Production Act (42 U.S.C. 6865).

(c) REGULATIONS.—The Secretary shall prescribe regulations necessary to carry out the purposes of this section.’’
amended by adding after the item relating to section 45N the following new item:

"45O. Weatherization assistance credit."

SA 882. Mr. DODD (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 659, between lines 3 and 4, insert the following:

SEC. 1243. SENSE OF THE SENATE REGARDING LOCATIONAL INSTALLED CAPACITY MECHANISM.

(a) FINDINGS.—The Senate finds that—

(1) as of the date of enactment of this Act, the States of New England have been litigating a proposal to develop and implement a specific type of locational installed capacity mechanism in New England before the Federal Energy Regulatory Commission; and

(2) the Governors of those States have objected to the proposed locational installed capacity mechanism of the Commission because the Governors believe that the mechanism—

(A) does not provide any assurance that needed generation will be built in the right place at the right time.

(B) is not linked to any long-term commitment from generators to provide energy;

(C) is extremely expensive for the region; and

(D) does not recognize efforts by the States of New England to propose alternative solutions through the creation of a regional State commission.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Federal Energy Regulatory Commission should suspend the pending locational installed capacity proceeding and allow the States of New England to propose alternative to the locational installed capacity mechanism that have less regional economic impact and more certainty of proceeding in an efficient and reliable manner.

SA 883. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 310, between lines 3 and 4, insert the following:

SEC. 450. INTANGIBLE DRILLING COSTS CREDIT.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-relocating credits) is amended, as amended by this Act, by adding at the end the following new section:

"SEC. 450. INTANGIBLE DRILLING COSTS CREDIT.

"(a) In General.—For purposes of section 38, the intangible drilling costs credit for the taxable year is an amount equal to 15 percent of the aggregate amount of credit allowed under section 38(c) paid or incurred during the taxable year in connection with each qualifying natural gas well.

"(b) Limitation.—(1) the basis of which is $200,000 or greater.

"(c) Qualifying Natural Gas Well.—For purposes of this section, the term ‘qualifying natural gas well’ means a natural gas well—

(i) which is placed in service before the date that is 3 years after the date of the enactment of this section,

(ii) which produces a qualified fuel (as defined in section 28(c)), and

(iii) which is participated in by more than one taxpayer.

"(d) Denial of Double Benefit.—No deduction shall be allowed under section 28(c) for any credit which a credit is allowed under this section.

"(e) Credit Treated as Part of General Business Credit.—Section 38(b) of the Internal Revenue Code of 1986 (relating to general business credit), as amended by this Act, is amended by striking ‘plus’ at the end of paragraph (23), by striking the period at the end of paragraph (24) and inserting ‘plus’, and by adding at the end the following new paragraph:

"(23) Intangible drilling costs credit determined under section 450.

"(f) No Carryback or Carryforward.—Section 39 of the Internal Revenue Code of 1986 (relating to the carryback and carryforward of unused credit) is amended by adding at the end the following new subsection:

"(c) Special Rule for Intangible Drilling Costs Credit.—No portion of the unused credit which is attributable to the intangible drilling costs credit under section 450 may be taken into account under section 38(b)."

"(g) Clerical Amendment.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986, as added by this Act, is amended by inserting after the item relating to section 38N the following new item:

"Sec. 450. Intangible drilling costs credit.

"(h) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act."
SA 886. Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 159, after line 23, add the following:

SEC. 211. WASTE-DERIVED ETHANOL AND BIO- DIESEL.

Section 312(d) of the Energy Policy Act of 1992 (42 U.S.C. 13220(1)) is amended—

(1) by striking ‘‘biodiesel’’ means and inserting the following— ‘‘biodiesel’’ means—

‘‘(A) means—’’; and

(2) in subparagraph (A) (as designated by paragraph (1)) by striking ‘‘and’’ at the end and inserting the following—

‘‘(B) includes ethanol and biodiesel derived from—

‘‘(i) animal wastes, including poultry fats and poultry fats, and other waste materials; or

‘‘(ii) municipal solid waste and sludges and oils derived from wastewater and the treatment of wastewater; and’’.

SA 887. Mr. CHAMBLISS submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SEC. . . . REGULATORY FEES MANDATORY TO APPLY TO PREPAYMENTS FOR NATURAL GAS.

(a) IN GENERAL.—Section 148(b) of the Internal Revenue Code of 1986 (relating to higher yielding investments) is amended by adding at the end the following new paragraph:

‘‘(4) SAFE HARBOR FOR PREPAID NATURAL GAS.—

‘‘(A) IN GENERAL.—The term ‘investment-type property’ does not include a prepayment under a qualified natural gas supply contract for any period.

‘‘(B) QUALIFIED NATURAL GAS SUPPLY CONTRACT.—For purposes of this paragraph, the term ‘qualified natural gas supply contract’ means any contract to acquire natural gas for resale by or for a utility owned by a governmental unit if the amount of gas permitted to be acquired under the contract for the utility during any year does not exceed the sum of—

‘‘(i) the annual average amount during the testing period of natural gas purchased (other than for resale) by customers of such utility who are located within the service area of such utility, and

‘‘(ii) the amount of natural gas to be used to transport the prepaid natural gas to the utility during such year.

‘‘(C) NATURAL GAS USED TO GENERATE ELECTRICITY.—Natural gas used to generate electricity shall be taken into account in determining the average under subparagraph (B)(i) if—

‘‘(i) only if the electricity is generated by a utility owned by a governmental unit, and

‘‘(ii) only to the extent that the electricity is sold (other than for resale) to customers of such utility who are located within the services area of such utility.

‘‘(D) ADJUSTMENTS FOR CHANGES IN CUSTOMER BASE.—

‘‘(i) NEW BUSINESS CUSTOMERS.—If—

‘‘(I) after the close of the testing period and before the date of issuance of the issue, the utility owned by a governmental unit enters into a contract for the purchase of natural gas (other than for resale) for use by a business at a property within the service area of such utility, and

‘‘(II) the utility did not supply natural gas to such property during the testing period or the ratable amount of natural gas to be supplied under the contract is significantly greater than the ratable amount of gas supplied by the utility to the property during the testing period, then a contract shall not fail to be treated as a qualified natural gas supply contract by reason of supplying the additional natural gas under the contract referred to in subclause (I).

‘‘(ii) for a qualified natural gas supply contract—

‘‘(I) if the electricity is generated by a utility owned by a governmental unit (other than for resale) to customers of such utility who are located within the service area of such utility, and

‘‘(ii) only if the amount of natural gas needed (other than for resale) by customers of such utility who are located within the service area of such utility, and

‘‘(ii) the amount of natural gas used to transport such natural gas to the utility.

‘‘(III) TESTING PERIOD.—For purposes of this paragraph, ‘testing period’ means—

‘‘(I) the amount of natural gas used to transport such natural gas to the utility.

‘‘(II) DISPOSAL OF COTTONSEED.—The term ‘cottonseed’ means—

‘‘(A) means—’’; and

(2) EFFECTIVE DATE.

On page 159, after line 23, add the following:

On page 171, after line 20, add the following:

SEC. 211. WASTE-DERIVED ETHANOL AND BIO- DIESEL.

Section 312(d) of the Energy Policy Act of 1992 (42 U.S.C. 13220(1)) is amended—

(1) by striking ‘‘biodiesel’’ means and inserting the following— ‘‘biodiesel’’ means—

‘‘(A) means—’’; and

(2) in subparagraph (A) (as designated by paragraph (1)) by striking ‘‘and’’ at the end and inserting the following—

‘‘(B) includes ethanol and biodiesel derived from—

‘‘(i) animal wastes, including poultry fats and poultry fats, and other waste materials; or

‘‘(ii) municipal solid waste and sludges and oils derived from wastewater and the treatment of wastewater; and’’.

SA 887. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end of title XV, add the following:

SEC. 15. STATE INCENTIVES FOR USE OF CLEAN COAL TECHNOLOGY.

(a) DEFINITIONS.—In this section—

‘‘(1) COMPLIANCE FACILITY.—The term ‘compliance facility’ means any facility that—

‘‘(A)(i) is designed, constructed, or installed, and

‘‘(ii) is located with the chief air pollution control officer of the State in which the facility is located.

‘‘(2) ELIGIBILITY.—The term ‘eligibility’ means—

‘‘(A)(i) is designed, constructed, or installed, and

‘‘(ii) is located with the chief air pollution control officer of the State in which the facility is located.

‘‘(3) CLEAN AIR ACT AMENDMENTS.—The term ‘Clean Air Act Amendments’ means—

‘‘(A) means—’’; and

(2) EFFECTIVE DATE.

The amendment made by this section shall apply to obligations issued after December 31, 2005.
formula to be determined by the State, for the use of coal mined from deposits in the State that is burned in a coal-fired electric generation unit that is owned or operated by the electric utility that receives the credit. 

(c) EFFECT ON INTERSTATE COMMERCE.—Action taken by a State in accordance with this section—

(1) shall be considered to be a reasonable regulation of commerce as of the effective date of the action; and

(2) shall not be considered to impose an undue burden on interstate commerce or to otherwise impair, restrain, or discriminate against interstate commerce.

SA 899. Ms. SNOWE (for herself and Mr. STEVENS) submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

(The bill will be printed in a future edition of the RECORD.)

SA 890. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page [154], strike line [24], and insert the following:

"SOLAR ENERGY PROPERTY.—Clause (1)"

On page [155] lines [2 through 3], strike "for use in a structure".

SA 891. Mr. DOMENICI (for himself, Mr. BINGAMAN, Ms. LANDRIEU, Mr. VITTER, Mr. LOTT, Mr. COCHRAN, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Beginning on page [297], strike line [2] and all that follows through page [310], line [25], and insert the following:

"SEC. 31. COASTAL IMPACT ASSISTANCE PROGRAM.

Section 31 of the Outer Continental Shelf Lands Act (43 U.S.C. 136a) is amended to read as follows:

"SEC. 31. COASTAL IMPACT ASSISTANCE PROGRAM.

(a) Definition.—In this section:

(1) COASTAL POLITICAL SUBDIVISION.—The term ‘coastal political subdivision’ means a political subdivision of a coastal State as defined in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453) of the State for the purposes of the Energy Policy Act of 2005; and

(b) not more than 200 nautical miles from the geographic center of any leased tract.

(2) COASTAL POPULATION.—The term ‘coastal population’ means the population, as determined by the most recent official data of the Census Bureau, of each political subdivision any part of which lies within the designated coastal boundary of a State (as defined in a State’s coastal zone management program under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(3) COASTAL STATE.—The term ‘coastal State’ has the meaning given the term in section 304 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453).

(4) COASTLINE.—The term ‘coastline’ has the meaning given the term ‘coast line’ in section 2 of the Submerged Lands Act (43 U.S.C. 1301).

(5) DISTANCE.—The term ‘distance’ means the minimum great circle distance, measured in statute miles, between:

(a) nearest point on the coastline of the producing State; and

(b) the geographic center of the leased tract.

(6) LEASED TRACT.—The term ‘leased tract’ means a tract that is subject to a lease under section 8 or 9 for the purpose of drilling for, producing, or processing oil or natural gas resources.

(7) LEASING MORATORIA.—The term ‘leasing moratoria’ means the prohibitions on leasing, and related activities on, any geographic area of the outer Continental Shelf as contained in sections 107 through 109 of Division E of the Consolidated Appropriations Act, 2005 (Public Law 108–447; 118 Stat. 3058).

(8) POLITICAL SUBDIVISION.—The term ‘political subdivision’ means any political subdivision of a State government, including counties, parishes, and boroughs.

(9) PRODUCING STATE.—

(A) IN GENERAL.—The term ‘producing State’ means a State that has a coastal seaward boundary within 200 nautical miles of the geographic center of a leased tract within any area of the outer Continental Shelf.

(B) EXCLUSION.—The term ‘producing State’ does not include a producing State, as determined under paragraph (A), (i) the nearest point on the coastline of the producing State, and (ii) the geographic center of the leased tract.

(C) MULTIPLE PRODUCING STATES.—In a case in which more than 1 producing State is located within 200 nautical miles of any portion of a leased tract, the amount allocated to each producing State for the leased tract shall be inversely proportional to the distance between—

(i) the nearest point on the coastline of the producing State; and

(ii) the geographic center of the leased tract.

(D) MINIMUM ALLOCATION.—The amount allocated to a producing State under subparagraph (A) shall be at least 1 percent of the amounts available under paragraph (1).

(4) PAYMENTS TO COASTAL POLITICAL SUBDIVISIONS.—

(A) IN GENERAL.—The Secretary shall pay 35 percent of the allocable share of each producing State, as determined under paragraph (3) to the coastal political subdivisions in the producing State.

(B) FORMULA.—Of the amount paid by the Secretary to coastal political subdivisions under subparagraph (A),—

(i) 25 percent shall be allocated to each coastal political subdivision in the proportion that—

(I) the coastal population of the coastal political subdivision bears to

(ii) the number of miles of coastline of the coastal political subdivision; and

(ii) the number of miles of coastline of all coastal political subdivisions in the producing State; and

(iii) 50 percent shall be allocated in amounts that are inversely proportional to the respective distances between the points in each coastal political subdivision that are closest to the geographic center of each leased tract, as determined by the Secretary.

(5) ALLOCATION AMONG PRODUCING STATES.

(A) IN GENERAL.—Except as provided in subparagraph (C) and subject to paragraph (D), the amounts available under paragraph (1) shall be allocated to each producing State based on the ratio that—

(i) the amount of qualified outer Continental Shelf revenues for each of fiscal years 2007 and 2008 shall be determined using qualifying outer Continental Shelf revenues received for fiscal year 2006; and

(ii) the amount of qualified outer Continental Shelf revenues for each of fiscal years 2009 and 2010 shall be determined using qualifying outer Continental Shelf revenues received for fiscal year 2008.

(B) AMOUNT OF OUTER CONTINENTAL SHELF REVENUES.—For purposes of subparagraph (A),—

(i) the amount of qualified outer Continental Shelf revenues for each of fiscal years 2007 and 2008 shall be determined using qualifying outer Continental Shelf revenues received for fiscal year 2006; and

(ii) the amount of qualified outer Continental Shelf revenues for each of fiscal years 2009 and 2010 shall be determined using qualifying outer Continental Shelf revenues received for fiscal year 2008.

(C) MULTIPLE PRODUCING STATES.—In a case in which more than 1 producing State is located within 200 nautical miles of any portion of a leased tract, the amount allocated to each producing State for the leased tract shall be inversely proportional to the distance between—

(i) the nearest point on the coastline of the producing State; and

(ii) the geographic center of the leased tract.

(6) DISTANCE.—As provided in subparagraph (B)(ii), the distance between—

(iii) the number of miles of coastline of all coastal political subdivisions with a coastline in the State of Louisiana without a coastal political subdivision in the proportion that—

(IV) the number of miles of coastline of all coastal political subdivisions in the producing State; and

(v) 50 percent shall be allocated in amounts that are inversely proportional to the respective distances between the points in each coastal political subdivision that are closest to the geographic center of each leased tract, as determined by the Secretary.

(7) EXCEPTION FOR THE STATE OF LOUISIANA.—For the purposes of subparagraph (B)(ii), the coastline for coastal political subdivisions in the State of Louisiana without a coastline shall be considered to be ½ the average length of the coastline of all coastal political subdivisions with a coastline in the State of Louisiana.

(8) EXCEPTION FOR THE STATE OF ALASKA.—For the purposes of carrying out subparagraph (B)(ii), the coastline for coastal political subdivisions in the State of Alaska, the amounts allocated shall be divided equally among the 2 coastal political subdivisions in the State of Alaska that are closest to the geographic center of a leased tract.

(9) EXCLUSION OF CERTAIN LEASED TRACTS.—For purposes of subparagraph (B)(ii), a leased tract shall be excluded if the tract or portion of a leased tract is located in a geographic...
(B) Public Participation.—In carrying out subparagraph (A), the Governor shall solicit local input and provide for public participation in the development of the plan.

(2) Approval.—

(A) In general.—The Secretary shall approve a plan submitted under paragraph (1) if—

(i) the Secretary determines that the plan is consistent with the uses described in subparagraph (c); and

(ii) the plan contains—

(I) the name of the State agency that will have primary responsibility for carrying out the plan and overseeing the implementation of the plan; and

(II) a description of how the outputs under this section to the producing State will be used;

(III) for each coastal political subdivision that receives an amount under this section—

(aa) the name of a contact person; and

(bb) a description of how the coastal political subdivision will use amounts provided under this section;

(IV) a certification by the Governor that ample opportunity has been provided for public participation in the development and revision of the plan; and

(V) a description of measures that will be taken to determine the availability of assistance from other relevant Federal resources and programs.

(3) Amendment.—Any amendment to a plan submitted under paragraph (1) shall be—

(A) developed in accordance with this subsection; and

(B) submitted to the Secretary for approval in accordance with paragraph (4).

(4) Procedure.—Not later than 90 days after the date on which a plan or amendment to a plan is submitted under paragraph (1) or (3), the Secretary shall approve or disapprove the plan or amendment.

(d) Authorized Uses.—

(1) In general.—A producing State or coastal political subdivision shall use all amounts received under this section, including any amount deposited in a trust fund that is administered by the Secretary, for—

(A) Projects and activities for the conservation, protection, or restoration of coastal areas, including wetlands;

(B) Mitigation of damage to fish, wildlife, or natural resources;

(C) Planning assistance and the administrative costs of complying with this section.

(2) Compliance with Authorized Uses.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disbursed any additional amounts under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or reallocated for authorized uses.

(3) Limitation.—Not more than 23 percent of amounts received by a producing State or coastal political subdivision for any 1 fiscal year shall be used for the purposes described subparagraphs (C) and (E) of paragraph (1).

(b) Components.—The Secretary shall—

(1) approve a plan in accordance with subparagraph (a); and

(2) review any agreements entered into by the Secretary under this section.

(2) Amendments.—If the Secretary determines that an amendment made by this section is not consistent with this subsection, the Secretary shall—

(A) disapprove the amendment; or

(B) disapprove any portions of the amendment that are not consistent with this subsection.

(c) Waiver.—The Secretary may waive subparagraph (a) with respect to an allocated share of a producing State and hold the allocable share in escrow if the Secretary determines that the producing State is making a good faith effort to develop and submit, or update, a plan in accordance with subparagraph (a).

(d) Retention of Allocation.—The Secretary shall retain all unallocated amounts described in subparagraph (a) until such date as the final appeal regarding the disapproval of a plan submitted under subparagraph (c) is decided.

(e) Disapproval of a Plan Submitted Under Subsection (c) is Decided.

(f) Expenditures.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amounts under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or reallocated for authorized uses.

(g) Limitation.—Not more than 23 percent of amounts received by a producing State or coastal political subdivision for any 1 fiscal year shall be used for the purposes described subparagraphs (C) and (E) of paragraph (1).

(h) Compliance with Authorized Uses.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amounts under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or reallocated for authorized uses.

(i) Limitation.—Not more than 23 percent of amounts received by a producing State or coastal political subdivision for any 1 fiscal year shall be used for the purposes described subparagraphs (C) and (E) of paragraph (1).

(j) Components.—The Secretary shall—

(1) approve a plan in accordance with subparagraph (a); and

(2) review any agreements entered into by the Secretary under this section.

(k) Amendments.—If the Secretary determines that an amendment made by this section is not consistent with this subsection, the Secretary shall—

(A) disapprove the amendment; or

(B) disapprove any portions of the amendment that are not consistent with this subsection.

(l) Waiver.—The Secretary may waive subparagraph (a) with respect to an allocated share of a producing State and hold the allocable share in escrow if the Secretary determines that the producing State is making a good faith effort to develop and submit, or update, a plan in accordance with subparagraph (a).

(m) Retention of Allocation.—The Secretary shall retain all unallocated amounts described in subparagraph (a) until such date as the final appeal regarding the disapproval of a plan submitted under subparagraph (c) is decided.

(n) Disapproval of a Plan Submitted Under Subsection (c) is Decided.

(o) Expenditures.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amounts under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or reallocated for authorized uses.

(p) Limitation.—Not more than 23 percent of amounts received by a producing State or coastal political subdivision for any 1 fiscal year shall be used for the purposes described subparagraphs (C) and (E) of paragraph (1).

(q) Compliance with Authorized Uses.—If the Secretary determines that any expenditure made by a producing State or coastal political subdivision is not consistent with this subsection, the Secretary shall not disburse any additional amounts under this section to the producing State or the coastal political subdivision until such time as all amounts obligated for unauthorized uses have been repaid or reallocated for authorized uses.

(r) Limitation.—Not more than 23 percent of amounts received by a producing State or coastal political subdivision for any 1 fiscal year shall be used for the purposes described subparagraphs (C) and (E) of paragraph (1).

(s) Components.—The Secretary shall—

(1) approve a plan in accordance with subparagraph (a); and

(2) review any agreements entered into by the Secretary under this section.

(t) Amendments.—If the Secretary determines that an amendment made by this section is not consistent with this subsection, the Secretary shall—

(A) disapprove the amendment; or

(B) disapprove any portions of the amendment that are not consistent with this subsection.

(u) Waiver.—The Secretary may waive subparagraph (a) with respect to an allocated share of a producing State and hold the allocable share in escrow if the Secretary determines that the producing State is making a good faith effort to develop and submit, or update, a plan in accordance with subparagraph (a).

(v) Retention of Allocation.—The Secretary shall retain all unallocated amounts described in subparagraph (a) until such date as the final appeal regarding the disapproval of a plan submitted under subparagraph (c) is decided.

(w) Disapproval of a Plan Submitted Under Subsection (c) is Decided.
On page 424, after line 16, insert the following:

SEC. 712. UPDATED FUEL ECONOMY LABELING PROCEDURES.
(a) In General.—The Administrator of the Environmental Protection Agency shall, as appropriate and in consultation with the Administrator of the National Highway Traffic Safety Administration, update and revise the process used to determine fuel economy values for labeling purposes as set forth in sections 600.209 and 600.209.95 (40 C.F.R. 600.209 and 600.209.95) to take into consideration current factors such as speed limits, acceleration rates, braking, variations in weather and temperature, vehicle load, use of air conditioning, driving patterns, and the use of other fuel consuming features. The Administrator shall use existing emissions test cycles and, or, updated adjustment factors to implement the requirements of this subsection.

(b) Deadline.—The Administrator of the Environmental Protection Agency shall promulgate a notice of proposed rulemaking by December 31, 2005, and a final rule within 18 months after the date on which the Administrator issues the notice.

(c) Effective Date.—Not less than 1 year after issuing the final rule required by subsection (b) and every 3 years thereafter the Administrator of the Environmental Protection Agency shall recommend the fuel economy labeling procedures required under subsection (a) to determine the differences in factors require revising the visiting the process. The administrator shall report to the Senate Committee on Commerce, Science and Transportation and to the House of Representatives Committee on Energy and Commerce on the outcome of the reconsideration process.

SA 897. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

SEC. 1235. SMART ENERGY DEPLOYMENT.
Not later than 1 year after the date of enactment of this Act and annually thereafter, the Secretary shall submit to Congress a report that—
(1) describes the status of the implementation by the States of the amendments made by sections 1251 and 1254;
(2) contains a list of preapproved systems and equipment to meet the standards established under the amendments made by sections 1251 and 1254; and
(3) describes—
(A) the public benefits that have been derived from net metering and interconnection standards; and
(B) any barriers to further deployment of net metering and interconnection technologies.

SA 898. Mr. LEVINE (for himself and Ms. STABENOW) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

SEC. 958. WESTERN MICHIGAN DEMONSTRATION PROJECT.
(a) In General.—Not later than 2 years after the date of enactment of this Act, the Administrator of the Environmental Protection Agency (referred to in this section as the “Administrator”), in consultation with the State of Michigan and affected local officials, shall conduct a demonstration project to address the effect of transported ozone and ozone precursors in southwestern Michigan.

SEC. 1255. SMART ENERGY DEPLOYMENT.
Not later than 1 year after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall cooperate with State and local officials to determine—
(1) the extent of ozone and ozone precursor transport described in subsection (c);
(2) to assess alternatives to achieve compliance with the 8-hour standard described in subsection (c) other than through local controls; and
(3) the timeframe in which that compliance could be achieved.

SEC. 34. RESTATEMENT OF LEASES.
Notwithstanding section 31(d)(2)(B) of the Mineral Leasing Act (30 U.S.C. 188(d)(2)(B)), the Secretary may restate any oil and gas lease issued under that Act that was terminated as a result of a lessee to pay the full amount of rental on or before the anniversary date of the lease, during the period beginning on September 1, 2001, and ending on the date that is 90 days after the date of renewal of that lease, if, not later than 120 days after the date of enactment of this Act, the lessee—
(1) files a petition for reinstatement of the lease;
(2) complies with the conditions of section 31(e) of the Mineral Leasing Act (30 U.S.C. 188(e)); and
(3) certifies that the lessee did not receive a notice of termination by the date that was 15 months before the date of termination.

SA 900. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

SEC. 7. RATEPAYER PROTECTION.
(1) STUDY ON ENVIRONMENTAL AND ECONOMIC EFFECTS OF RESTRUCTURING.—The Secretary of the Treasury shall submit to Congress a report that specifies the results of the study conducted by the Secretary to determine the average cost of restructuring for any of the classes of disadvantaged individuals if the costs of actions by utilities intended to reduce carbon dioxide emissions were recovered in rates, and the amendment made by section 3 shall take effect on the day after the end of the 90-day period described in subparagraph (B).

SEC. 9. PAYMENTS TO ELECTRIC GENERATING UNITS.
(A) In general.—Beginning in calendar year 2008 and each subsequent calendar year, the Federal Energy Regulatory Commission, for electric generating units that incurs any costs in complying with the requirements of that title shall submit to the Commissioner of the Federal Energy Regulatory Commission (referred to in this subsection as the “Commissioner”) a statement of the total costs incurred by the electric generating unit for the calendar year.

SEC. 10. APPROVED COSTS.—The Commissioner shall—
(A) review any costs submitted under paragraph (1);
(B) approve or disapprove the submitted costs as legitimate; and
(C) determine the total amount of approved costs submitted by all electric generating utilities.

SEC. 11. AVERAGE COSTS.—The Commissioner shall determine—
(A) the total megawatts of electricity produced from all electric generating units for the calendar year; and
(B) the average cost per megawatt incurred in connection with each of any carbon reduction mandates of this Act by dividing—
(i) the total costs approved under paragraph (2)(C); by
(ii) the total megawatts determined under subparagraph (A).
(4) PAYMENTS TO COMMISSIONER.—Each electric generating unit shall submit to the Commissioner in an amount equal to the product obtained by multiplying—
(A) the average cost per megawatt determined by the Commissioner under paragraph (3)(B); by
(B) the megawatts of electricity produced by the electric generating unit during a calendar year, as determined by the Commissioner.
(5) REIMBURSEMENT OF COSTS.—The Commissioner shall provide to each electric generating unit that submitted costs under paragraph (1) that were approved under paragraph (2) an amount to reimburse the electric generating unit for any costs of complying with any carbon reduction mandates of this Act by (other than ratepayers), a utility service commission, or similar entity as defined in clause (4) of this section, with qualified resource partners (in this subsection referred to as the ‘‘Clearinghouse’’). The Secretary and the Administrator of the Energy Star Program, the Secretary of Commerce for manufacturing-related efforts, including the Manufacturing Extension Partnership Program.
(6) COORDINATION.—The Commissioner shall issue regulations to carry out this subsection, including provisions that establish—
(A) criteria for determining the legitimacy of costs under paragraph (2);
(B) a deadline and other appropriate conditions for payments required under paragraph (4); and
(C) procedures for the provision of reimbursement payments under paragraph (5).
(c) UTILITY ACTIONS TO REDUCE CARBON DIOXIDE EMISSIONS.—The National Climate Protection Program ( title 49, United States Code, as amended by adding at the end the following:
**SEC. 9. UTILITY ACTIONS TO REDUCE CARBON DIOXIDE EMISSIONS.**

‘‘(a) Definition of Utility.—In this section, the term ‘utility’ means any organization that—

(A) provides retail customers with electricity services; and

(B) is regulated, either by price or terms of service, by 1 or more State utility or public service commissions.

(b) RATEPAYERS’ RIGHTS.—

‘‘(1) IN GENERAL.—No utility may recover from ratepayers any costs, expenses, fees, or other outlays incurred for the stated purpose by a utility to reduce carbon dioxide emissions.

‘‘(2) PROHIBITION ON CERTAIN COMMISSION ACTIONS.—No State utility commission, public service commission, or similar entity may compel ratepayers to pay the costs, expenses, fees, or other outlays incurred for the stated purpose by a utility to reduce carbon dioxide emissions.

‘‘(c) SHAREHOLDER OBLIGATIONS UNAFFECD.—Nothing in this section prevents the shareholders of, or other parties associated with (other than ratepayers), a utility from paying for any action by the utility to reduce carbon dioxide emissions.

SA 902. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 52, line 24, strike ‘‘efficiency; and’’ and all that follows through page 53, line 8 and insert the following: ‘‘efficiency;

‘‘(C) understanding and accessing Federal procurement opportunities with regard to Energy Star technologies and products; and

‘‘(D) identifying financing options for energy efficiency and renewable energy projects.’’

‘‘(2) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration, shall coordinate assistance with the Secretary of Commerce for manufacturing-related efforts, including the Manufacturing Extension Partnership Program.

‘‘(3) The Secretary, on a cost shared basis in cooperation with the Administrator of the Environmental Protection Agency, shall provide to the Small Business Administration all advertising, marketing, and other written materials necessary for the dissemination of information under paragraph (2).

‘‘(4) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration, as a part of the outreach to small business concerns regarding the Energy Star Program, the Secretary, the Administrator, and other qualified resource partners (in this subsection referred to as the ‘‘Clearinghouse’’), enter into cooperative agreements with qualified resource partners (including the National Center for Appropriate Technology to help small business concerns, and other qualified resource partners, to provide a centralized resource where small business concerns may access, telephonically and electronically, technical information and advice to help increase energy efficiency and reduce energy costs.

‘‘(5) There are authorized to be appropriated such sums as may be necessary to carry out this subsection, to remain available until expended.’’.

SA 902. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 52, line 24, strike ‘‘efficiency; and’’ and all that follows through page 53, line 8 and insert the following: ‘‘efficiency;

‘‘(C) understanding and accessing Federal procurement opportunities with regard to Energy Star technologies and products; and

‘‘(D) identifying financing options for energy efficiency and renewable energy projects.’’

‘‘(2) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration, shall coordinate assistance with the Secretary of Commerce for manufacturing-related efforts, including the Manufacturing Extension Partnership Program.

‘‘(3) The Secretary, on a cost shared basis in cooperation with the Administrator of the Environmental Protection Agency, shall provide to the Small Business Administration all advertising, marketing, and other written materials necessary for the dissemination of information under paragraph (2).

‘‘(4) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration, as a part of the outreach to small business concerns regarding the Energy Star Program, the Secretary, the Administrator, and other qualified resource partners (in this subsection referred to as the ‘‘Clearinghouse’’), enter into cooperative agreements with qualified resource partners (including the National Center for Appropriate Technology to help small business concerns, and other qualified resource partners, to provide a centralized resource where small business concerns may access, telephonically and electronically, technical information and advice to help increase energy efficiency and reduce energy costs.

‘‘(5) There are authorized to be appropriated such sums as may be necessary to carry out this subsection, to remain available until expended.’’.

SECT. 711. SHORT TITLE.

This title may be cited as the ‘‘Automobile Fuel Efficiency Improvements Act of 2006’’.

SECT. 712. PHASED INCREASES IN FUEL ECONOMY STANDARDS.

(a) PASSENGER AUTOMOBILES.—

(1) MINIMUM STANDARDS.—Section 32922(b)(1) of title 49, United States Code, is amended—

(A) by striking paragraph (2); and

(B) in paragraph (1)—

(i) by striking ‘‘Subject to paragraph (2) of this subsection, the’’ and inserting ‘‘The’’;

(ii) by striking ‘‘amending the standard’’ and inserting ‘‘amending the standard otherwise applicable’’; and

(iii) by striking ‘‘Section 553’’ and inserting the following:

‘‘(2) Section 553—

(b) NON-PASSENGER AUTOMOBILES.—Section 32922(a)(1) of title 49, United States Code, is amended—

(1) by striking ‘‘At least 18 months before each model year,’’ and inserting the following—

‘‘The average fuel economy standard applicable for automobiles (except passenger automobiles) manufactured by a manufacturer in a model year—

‘‘(A) after model year 1994 and before model year 2008 shall be 17 miles per gallon; and

‘‘(B) after model year 2007 and before model year 2011 shall be 19 miles per gallon;

‘‘(C) after model year 2010 and before model year 2014 shall be 21.5 miles per gallon;

‘‘(D) after model year 2013 and before model year 2017 shall be 24.5 miles per gallon; and

‘‘(E) after model year 2016 shall be 27.5 miles per gallon, except as provided under paragraph (2).

At least 18 months before the beginning of each model year after model year 2017,’’; and

(2) by adding at the end the following:

‘‘(g) If the Secretary does not increase the average fuel economy standard applicable under paragraph (1)(E) or (2), or applicable to class under paragraph (1), within 24 months after the latest increase in the standard applicable under paragraph (1)(E) or (2), the Secretary, not later than 90 days after the expiration of the 24-month period, shall submit to Congress a report containing an explanation of the reasons for not increasing the standard.

SECT. 713. INCREASED INCLUSIVENESS OF DEFINITIONS OF AUTOMOBILE AND PASSENGER AUTOMOBILE.

(a) AUTOMOBILE.—

(1) IN GENERAL.—Section 32920(a)(3) of title 49, United States Code, is amended—

(A) by striking ‘‘6,000 pounds’’ each place it appears and inserting ‘‘5,000 pounds’’; and

(B) in subparagraph (B)—

(i) by striking ‘‘10,000 pounds’’ and inserting ‘‘14,000 pounds’’; and

(ii) in clause (1)—by striking an ‘‘average fuel economy standard’’ and all that follows through ‘‘conservation or’’.

(2) SPECIAL RULE.—Section 32920(a)(1) of such title is amended by striking ‘‘8,500 pounds’’ and inserting ‘‘14,000 pounds’’.

(b) PASSENGER AUTOMOBILE.—Section 32920(a)(16) of such title is amended to read as follows:

‘‘(16) ‘‘passenger automobile’’—

‘‘(A) means, except as provided in subparagraph (B), an automobile having a gross vehicle weight of 12,000 pounds or less that is designed to be used principally for the transportation of persons; but

‘‘(B) does not include—

(i) a vehicle that is a primary load carrying device or container attached;

(ii) a vehicle that has a seating capacity of more than 12 persons;

(iii) a vehicle that has a seating capacity of more than 9 persons behind the driver’s seat; or

(iv) a vehicle that is equipped with a cargo area of at least 6 feet in interior length that does not extend beyond the frame of the vehicle and is an open area or is designed for
use as an open area but is enclosed by a cap and is not readily accessible directly from the passenger compartment.”.

(c) APPLICABILITY.—The amendments made by this section shall apply with respect to automobiles manufactured for model years beginning after the date of enactment of this Act.

SEC. 714. PENALTIES.

(a) INCREASED PENALTY FOR VIOLATIONS OF FUEL ECONOMY STANDARDS.—Section 32912(b) of title 49, United States Code, is amended—

(1) by inserting “(1)” before “Except as provided”;

(2) by striking “$5” and inserting “the dollar amount applicable under subparagraph (2)”; and

(3) by redesigning paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(4) by adding at the end the following:

“(2A) The dollar amount referred to in paragraph (1) is $10, as increased from time to time under subparagraph (B).

“(B) Effective on October 1 of each year, the dollar amount applicable under subparagraph (A) shall be increased by the percentage (rounded to the nearest one-tenth of one percent) by which the price index for July of such year exceeds the price index for July of the preceding year. The amount calculated under the preceding sentence shall be rounded to the nearest $10.

“(C) In this paragraph, the term ‘price index’ means the Consumer Price Index for all-urban consumers published monthly by the Department of Labor.”

(b) CONFORMING AMENDMENT.—Section 32912(c)(1) of title 49, United States Code, is amended—

(1) by striking subparagraph (B); and

(2) by redesigning subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(c) APPLICABILITY.—The amendments made by subsection (a) shall apply with respect to automobiles manufactured for model years beginning after the date of enactment of this Act.

SEC. 715. STANDARDS FOR EXECUTIVE AGENCY AUTOMOBILES.

Section 32917 of title 49, United States Code, is amended—

(1) in section (b)—

(A) by amending paragraph (1) to read as follows—

“(1) The President shall prescribe regulations for the fiscal year that year or years the average fuel economy standard applicable under section 32902(a) of this title for the model year that includes January 1 of that fiscal year; and

“(B) in the case of passenger automobiles, a fleet average fuel economy for that year of at least the average fuel economy standard applicable under section 32902(a) of this title for the model year that includes January 1 of that fiscal year.

“(C) The minimum number of exceptiona—

“(2) minimum number of exceptiona—

(f) DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION.

(1) In this subsection—

(B) an assessment of the progress of the research activities of the Initiative, and

(2) INDUSTRY ALLIANCE.—The Secretary shall annually solicit from the Industry Alliance—

(A) comments to identify solid-state lighting technology needs;

(3) AVAILABILITY TO PUBLIC.

(A) GRANTS.—The Secretary shall carry out the research activities of the Initiative through competitively awarded grants to—

(1) researchers, including Industry Alliance participants;

(B) small businesses;

(2) INDUSTRY ALLIANCE.—The Secretary shall annually solicit from the Industry Alliance—

(C) National Laboratories; and

(1) IN GENERAL.

(2) PREFERENCE.—In making the awards, the Secretary may give preference to participants in the Industry Alliance, including making at least 1 award to a small business entity.

(3) Assistance in annually updating solid-state lighting technology roadmaps.

(4) QUALIFIED SOLAR HEATING PROPERTY EXPENDITURE.

(A) IN GENERAL.—The term ‘qualified solar heating property expenditure’ means any property expenditure for property which uses solar energy to heat or cool a swimming pool.

(B) SPECIAL RULES.

(1) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by more than one individual, the amount shall be treated separately as a property expenditure only because it constitutes a structural component of the structure on which it is installed.

(2) QUALIFIED PHOTOVOLTAIC PROPERTY EXPENDITURE.

(A) IN GENERAL.—The term ‘qualified photovoltaic property expenditure’ means any property expenditure for property which uses solid state lighting property expenditures made by qualified solar heating property expenditures and qualified photovoltaic property expenditures.

(B) EXCLUSION.—The term ‘qualified solar heating property expenditure’ does not include any expenditure for property which uses solar energy to heat or cool a swimming pool.

(C) SPECIAL RULES.

(1) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by more than one individual, the amount shall be treated separately as a property expenditure only because it constitutes a structural component of the structure on which it is installed.

(2) QUALIFIED SOLAR HEATING PROPERTY EXPENDITURE.

(A) IN GENERAL.—The term ‘qualified solar heating property expenditure’ means any property expenditure for property which uses solar energy to heat or cool a swimming pool.

(C) SPECIAL RULES.

(1) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by more than one individual, the amount shall be treated separately as a property expenditure only because it constitutes a structural component of the structure on which it is installed.
corporation (as defined in that section), the individual shall be treated as having made such individual’s tenant-stockholder’s proportionate share (as defined in section 216(b)(3)) of any expenditures of such corporation.

"(3) CONDOMINIUMS.—

(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which such individual owns, such individual shall be treated as having made such individual’s proportionate share of any expenditures of such association.

(B) MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term ‘condominium management association’ means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(4) AMOUNT OF EXPENDITURE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), an expenditure with respect to an item shall be treated as made when the original installation of the item is completed.

(B) EXPENDITURES IN CONNECTION WITH BUILDING CONSTRUCTION.—In the case of an expenditure in connection with the construction or reconstruction of a structure, such expenditure shall be treated as made when the original use of the constructed or reconstructed structure by the taxpayer begins.

"(C) AMOUNT.—

(1) IN GENERAL.—The amount of any expenditure shall be the cost of the expenditure.

(ii) SUBSIDIZED ENERGY FINANCING.—For purposes of determining the amount of expenditures, there shall not be taken into account expenditures which are made from subsidized energy financing (as defined in section 6(a)(5)(A)).

(3) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(e) LIMITATIONS.—No credit shall be allowed under this section for an item of property unless—

(i) the case of a solar heating property, the property meets all applicable health and safety standards and requirements imposed by any State or local permitting authority, and

(ii) the case of a photovoltaic property, the property meets all appropriate fire and electric code requirements.

"(f) TERMINATION.—This section shall not apply to expenditures made after December 31, 2010.

"(g) PRODUCTION TAX CREDIT FOR UTILITY-SCALE SOLAR.—

(1) IN GENERAL.—Section 45(d) of the Internal Revenue Code of 1986 (relating to qualified facilities) is amended to read as follows:

(2) QUALIFIED PHOTOVOLTAIC PROPERTY EXPENDITURE.—The term ‘qualified photovoltaic property expenditure’ means any property expenditure for property which use solar energy to generate electricity for use in a dwelling unit through the photovoltaic effect.

(3) QUALIFIED SOLAR HEATING PROPERTY EXPENDITURE.—

(A) IN GENERAL.—The term ‘qualified solar heating property expenditure’ means any property expenditure for property which use solar energy to heat or cool a swimming pool.

"(h) SPECIAL RULES.—

(1) JOINT OCCUPANCY.—In the case of any dwelling unit which is jointly occupied and used during any calendar year as a residence by more than one individual, the following shall apply separately with respect to qualified solar heating property expenditures and qualified photovoltaic property expenditures:

(A) The amount of the credit allowable under subsection (a) by reason of expenditures made during such calendar year by any of such individuals with respect to such dwelling unit shall be determined by treating all of such individuals as 1 taxpayer whose taxable year is such calendar year.

(2) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—In the case of an individual who is a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as defined in that section), the following shall apply separately with respect to such expenditures to each of such individuals, a credit under subsection (a) for the taxable year in which such calendar year ends in an amount which bears the same ratio to the amount determined under subparagraph (A) as the amount of such expenditures made by such individual during such calendar year bears to the aggregate of such expenditures made by all of such individuals during such calendar year.

"(i) TENANT-STOCKHOLDER IN COOPERATIVE HOUSING CORPORATION.—

(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which such individual owns, such individual shall be treated as having made such individual’s tenant-stockholder’s proportionate share (as defined in section 216(b)(3)) of any expenditures of such corporation.

"(j) CONDOMINUMS.—

(A) IN GENERAL.—In the case of an individual who is a member of a condominium management association with respect to a condominium which such individual owns, such individual shall be treated as having made such individual’s proportionate share of any expenditures of such association.

(B) MANAGEMENT ASSOCIATION.—For purposes of this paragraph, the term ‘condominium management association’ means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

"(k) AMOUNT.—

(1) IN GENERAL.—The amount of any expenditure shall be the cost of the expenditure.

(ii) SUBSIDIZED ENERGY FINANCING.—For purposes of this paragraph, the term ‘subsidized energy financing’ means an organization which meets the requirements of paragraph (1) of section 528(c) (other than subparagraph (E) thereof) with respect to a condominium project substantially all of the units of which are used as residences.

(3) BASIS ADJUSTMENTS.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

(4) LIMITATIONS.—No credit shall be allowed under this section for an item of property unless—

(A) the case of a solar heating property, the property meets all applicable health and safety standards and requirements imposed by any State or local permitting authority, and

(B) the case of a photovoltaic property, the property meets all appropriate fire and electric code requirements.

"(l) TERMINATION.—This section shall not apply to expenditures made after December 31, 2010.

(2) QUALIFIED PHOTOVOLTAIC PROPERTY EXPENDITURE.—The term ‘qualified photovoltaic property expenditure’ means any property expenditure for property which use solar energy to generate electricity for use in a dwelling unit through the photovoltaic effect.

(3) QUALIFIED SOLAR HEATING PROPERTY EXPENDITURE.—

(A) IN GENERAL.—The term ‘qualified solar heating property expenditure’ means any property expenditure for property which use solar energy to heat or cool a swimming pool.

"(c) LIMITATIONS.—No credit shall be allowed under this section for an item of property unless—
“(I) any judicial decree or interstate compact delineating lateral offshore boundaries between coastal States;

“(II) any principles of domestic and international law governing the delineation of lateral offshore boundaries; and

“(III) to the maximum extent practicable, existing lease boundaries and block lines unless the official protraction diagrams of the Secretary:

“(i) a current inventory of proven and potential gas, or oil and gas, resources in any moratorium areas within the area off the shore of a State, in accordance with the lateral boundaries delineated under clause (I), as requested by the Governor; and

“(ii) any feasibility processes that could lead to the leasing, exploration, development, and production of the gas, or oil and gas, resources within the area identified.

“(C) EXISTING CERTAIN AREAS AVAILABLE FOR LEASING.—

“(A) PETITION.—

“(1) IN GENERAL.—On consideration of the information received from the Secretary, the Governor (acting on behalf of the Secretary of the State) may submit to the Secretary a petition requesting that the Secretary may approve, or considered to be approved as of the date that is 90 days after the date of receipt of the petition.

“(B) ACTION BY SECRETARY.—Not later than 90 days after the date of receipt of a petition under paragraph (A), the Secretary shall approve the petition unless the Secretary determines that leasing in the affected area presents a significant likelihood of incidents associated with the development of resources that would cause serious harm or damage to the marine resources of the area or of an adjacent State.

“(C) FAILURE TO ACT.—If the Secretary fails to approve or deny a petition in accordance with subparagraph (B), the petition shall be considered to be approved as of the date that is 90 days after the date of receipt of the petition.

“(D) TREATMENT.—Notwithstanding any other provision of this section, not later than 90 days after the date of receipt of a petition under paragraph (A), the Secretary shall determine, or considered to be approved, or considered to be approved, under subparagraph (B) or (C), the Secretary shall—

“(1) treat the petition of the Governor under subparagraph (A) as a proposed revision to a leasing program under this section; and

“(2) except as provided in subparagraph (B), expedite the revision of the 5-year outer Continental Shelf oil and gas leasing program in effect as of that date to include any leases sale for any area covered by the petition.

“(E) INCLUSION IN SUBSEQUENT PLANS.—

“(1) IN GENERAL.—If there are fewer than 18 months remaining in the 5-year outer Continental Shelf oil and gas leasing program described in subparagraph (D)(III), the Secretary, without consultation with any State, shall not include any area covered by the petition in lease sales under the subsequent 5-year outer Continental Shelf oil and gas leasing program.

“(2) ENVIRONMENTAL ASSESSMENT.—Before modifying a 5-Year Outer Continental Shelf Oil and Gas Leasing Program under clause (i), the Secretary shall complete an environmental assessment that anticipates environmental impact of leasing in the area under the petition.
SEC. 380. GAS-ONLY LEASES; STATE REQUESTS TO EXAMINE ENERGY AREAS.

(a) GAS-ONLY LEASES.—Section 8 of the Outer Continental Shelf Act (43 U.S.C. 1361 et seq.) (as amended by section 321) is amended by adding at the end the following:

"(q) GAS-ONLY LEASE.—The Secretary may issue a gas-only lease under this subsection after a gas resource has been discovered in association with the development of resources in accordance with subparagraph (B) and the moratorium area (or any part of the moratorium area the Governor identifies) adjacent to, or lying seaward of the coastline of, that State.";

(b) RESOURCE ESTIMATES.—(i) At any time, the Governor of an affected State, acting on behalf of the State, may request the Secretary to provide a current estimate of proven and potential gas, or oil and gas, resources in any moratorium area (or any part of the moratorium area the Governor identifies) adjacent to, or lying seaward of the coastline of, that State.

(ii) The Governor (acting on behalf of the State of Florida) may request the Secretary to:

(A) define natural gas so that the definition includes:

(1) hydrocarbons and other substances in a gaseous state at atmospheric pressure and a temperature of 60 degrees Fahrenheit;

(2) liquids that condense from natural gas in the process of treatment, dehydration, decumpression, or compression prior to the point for measuring volume and quality of the production established by the Minerals Management Service; and

(3) natural gas liquefied for transportation and storage;

(B) provide that gas-only leases shall contain the same rights and obligations established for oil and gas leases;

(C) provide that reviewing the adequacy of bids for gas-only leases, the Minerals Management Service shall exclude the value of any crude oil estimated to be discovered within the boundaries of the leasing area;

(D) provide for cancellation of a gas-only lease, with payment of the fair value of the lease rights conveyed, if the Secretary determines that any natural gas discovered within the boundaries of the leasing area cannot be produced without causing an unacceptable waste of crude oil discovered in association with the natural gas; and

(E) provide that, at the request and with the consent of the Governor of the State adjacent to the lease area, as determined under section 18(1)(2)(B)(i), and with the consent of the lessee, an existing gas-only lease may be converted, without an increase in the rental or royalty rates described in section 18(1)(2)(B)(i) in the nature of a lease bonus, to a lease under subsection (b), in accordance with a process, to be established by the Secretary, that requires—

(1) consultation by the Secretary with the Governor of the State and the lessee with respect to the operating conditions of the lease, taking into consideration environmental resource conservation and recovery, economic factors, and other factors, as the Secretary determines to be relevant; and

(II) compensation under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(ii) EFFECT OF OTHER LAWS.—Any Federal law (including this Act) that applies to an oil and gas lease on the Outer Continental Shelf shall apply to a gas-only lease issued under this subsection.

(b) STATE REQUESTS TO EXAMINE ENERGY AREAS.—Section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1344) is amended by adding at the end the following:

"(q) STATE REQUESTS TO EXAMINE ENERGY AREAS.—

"(i) DEFINITIONS.—In this subsection:

(A) LEASE Holder.—Includes a gas-only lease under section 8(q).

(B) MORATORIUM AREA.—The term ‘moratorium area’ means—

(1) any area of the outer Continental Shelf as to which Congress has denied the use of appropriated funds or other means for preleasing, leasing, or related activities.

(ii) RESOURCE ESTIMATES.—At any time, the Governor of an affected State, acting on behalf of the State, may request the Secretary to provide a current estimate of proven and potential gas, or oil and gas, resources in any moratorium area (or any part of the moratorium area the Governor identifies) adjacent to, or lying seaward of the coastline of, that State.

(iii) Any other revenues from a bidding or lease revenue sharing agreement established under section 3 of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 666a), the Land and Water Conservation Fund established under section 6(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9602(d)), or the Coastal and Estuary Habitat Restoration Trust Fund established under section 4 of the Pitterson Wildlife Restoration Act (16 U.S.C. 665b).

(iv) Any other revenues from a bidding or lease revenue sharing agreement established under section 4 of the Pitterson Wildlife Restoration Act (16 U.S.C. 665b).

(B) POST LEASING REVENUES.—In addition to bonus bids paid for leasing rights in the area is approved, or considered to be approved, under subparagraph (A), a State described in subparagraph (A) shall receive 25 percent of any oil or natural gas, leasing in the moratorium area that requires the consent of the Governor of the State adjacent to the lease area is approved, or considered to be approved, under subparagraph (A).

(C) Any area not included in the outer Continental Shelf shall apply to a gas-only lease issued under section 8(q).

(D) Any area of the outer Continental Shelf as to which Congress has denied the use of appropriated funds or other means for preleasing, leasing, or related activities.

(E) Any area of the outer Continental Shelf as to which Congress has denied the use of appropriated funds or other means for preleasing, leasing, or related activities.

(F) SPENDING LIMITATIONS.—Any Federal spending limitation with respect to preleasing, leasing, or a related activity in an area made available for leasing under this subsection shall terminate as of the date on which the petition of the Governor relating to the area is approved, or considered to be approved, under subparagraph (B) or (C).

(G) MANAGEMENT.—For purposes of title III of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), any activity relating to leasing and subsequent production in an area made available for leasing under this paragraph shall—

(i) if the leased area is located more than 20 miles offshore of an adjacent State (or the boundaries of the State as delineated under paragraph (2)(B)), be considered by the Secretary of Commerce to be necessary to the interest of national security and be carried out notwithstanding the objection of a State to a consistency certification under that Act; or

(ii) if the leased area is located not greater than 20 miles offshore of an adjacent State, be subject to section 307(c) of that Act (16 U.S.C. 1456(c)).

(H) BIDDING AND LEASING.—

(A) BONUS BIDS.—If the Governor of a State requests the Secretary to allow gas, oil or natural gas, leasing in the moratorium area that requires the consent of the Governor of the State adjacent to the lease area is approved, or considered to be approved, under subparagraph (A), the Secretary shall—

(1) define natural gas so that the definition includes:

(i) hydrocarbons and other substances in a gaseous state at atmospheric pressure and a temperature of 60 degrees Fahrenheit;

(ii) liquids that condense from natural gas in the process of treatment, dehydration, decompression, or compression prior to the point for measuring volume and quality of the production established by the Minerals Management Service; and

(iii) natural gas liquefied for transportation and storage;

(2) define crude oil;

(3) define gas-only leases;

(4) define resource estimates;

(5) define post leasing revenues; and

(B) POST LEASING REVENUES.—In addition to bonus bids paid for leasing rights in the area is approved, or considered to be approved, under subparagraph (A), a State described in subparagraph (A) shall receive 25 percent of—

(i) any royalty proceeds from a sale of royalties taken in kind by the Secretary; and

(ii) any other revenues from a bidding system under section 8.

(C) CONSERVATION ROYALTIES.—After making distributions in accordance with subparagraphs (A) and (B), and in accordance with section 31, the Secretary, in coordination with the Governor of a State, shall, without further appropriation or action, distribute a conservation royalty of 12.5 percent of Federal royalty revenues in an area leased under this section, not to exceed $1,250,000,000 for any year, to 1 or more of the following:

(i) The Coastal and Estuary Habitat Restoration Trust Fund.

(ii) The wildlife restoration fund established in accordance with the provisions of the Pitterson Wildlife Restoration Act (16 U.S.C. 665b).

(iii) The Land and Water Conservation Fund to provide financial assistance to States under section 6 of that Act (16 U.S.C. 4606-8).

(D) APPLICATION.—This subsection shall not apply to—

(A) any area designated as a national marine sanctuary or a national wildlife refuge;

(B) the Lease Sale 18 planning area;

(C) any area not included in the outer Continental Shelf;

(D) the Great Lakes, as defined in section 118 of the Federal Water Pollution Control Act (33 U.S.C. 1286(a)(3)); or

(E) the eastern coast of the State of Florida.

SA 907. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and clean energy, which was ordered to lie on the table; as follows:

On page 327, after line 21, add the following:
“(i) the Coastal and Estuary Habitat Restorative credit attributable to the production of advanced technology motor vehicles and eligible components shall be taken into account.

“(j) AGGREGATED TECHNOLOGY MOTOR VEHICLES AND ELIGIBLE COMPONENTS.—For purposes of this section—

“(1) ADVANCED TECHNOLOGY MOTOR VEHICLE.—The term ‘advanced technology motor vehicle’ means—

“(A) any new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3)), or

“(B) any new qualified hybrid motor vehicle (as defined in section 30B(d)(2)(A) and determined without regard to any gross vehicle weight rating).

“(2) ELIGIBLE COMPONENTS.—The term ‘eligible component’ means any component included to any advanced technology motor vehicle, including—

“(A) with respect to any gasoline or diesel new qualified hybrid motor vehicle—

“(i) electric motor or generator,

“(ii) power split device,

“(iii) power control unit,

“(iv) power controls,

“(v) integrated starter generator, or

“(vi) battery,

“(B) with respect to any hydraulic new qualified hybrid motor vehicle—

“(i) hydraulic accumulator vessel,

“(ii) hydraulic pump, or

“(iii) hydraulic pump-motor assembly,

“(C) with respect to any new advanced lean burn technology motor vehicle—

“(i) diesel engine,

“(ii) turbocharger,

“(iii) fuel injection system, or

“(iv) after-treatment system, such as a particle filter or NOx absorber, and

“(D) with respect to any advanced technology motor vehicle, any other component submitted for approval by the Secretary.

“(e) ENGINEERING INTEGRATION COSTS.—For purposes of subsection (c)(1)(B), costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks related to—

“(1) establishing functional, structural, and performance requirements for component and subsystems to meet overall vehicle objectives for a specific application,

“(2) designing interfaces for components and subsystems with mating systems within a specific vehicle application,

“(3) designing cost effective, efficient, and reliable manufacturing processes to produce mass producible and those for a specific vehicle application,

“(4) validating functionality and performance of components and subsystems for a specific vehicle application,

“(f) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

“(1) the sum of—

“(A) the regular tax liability (as defined in section 26(b)(1) for such taxable year, plus

“(B) the tax imposed by section 55 for such taxable year and any prior taxable year beginning after 1986 and not taken into account under section 55 for any prior taxable year over

“(2) the sum of the credits allowable under subpart A sections 27, 30, and 30B for the taxable year.

“(g) REDUCTION IN BASIS.—For purposes of this subsection, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

“(h) NO DOUBLE BENEFIT.—

“(1) COORDINATION WITH OTHER DEDUCTIONS AND CREDITS.—Except as provided in paragraph (2), the amount of any deduction or other credit allowable for a taxable year for a Chapter for any cost taken into account in determining the amount of the credit under subsection (a)
shall be reduced by the amount of such credit attributable to such cost.

(2) Research and Development Costs.—

(a) In General.—Except as provided in subparagraph (B), any amount described in subsection (c)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year shall not be taken into account for purposes of determining the credit under section 41 for such taxable year.

(b) Costs Taken into Account in Determining Research Expense Deduction.—Any amounts described in subsection (c)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

(1) Business Carriers Allowed.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (f) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowable depreciation) shall be allowed as a credit carryback and carryforward under rules similar to the rules of section 39.

(2) Costs Taken into Account in Determining Research Expense Deduction.—Any amounts described in subsection (c)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

(1) BUSINESS CARRIERS ALLOWED.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (f) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowable depreciation) shall be allowed as a credit carryback and carryforward under rules similar to the rules of section 39.

(b) CONFORMING AMENDMENTS.—

(1) Section 1016(a), as amended by this Act, is amended by striking “and” at the end of paragraph (39), by striking the period at the end of paragraph (40) and inserting “, and”, and by adding at the end the following new paragraph:

“(4) to the extent provided in section 30D(g).”;

(2) Section 650(m), as amended by this Act, is amended by inserting “30D(k),” after “30C(i),”;

(3) The table of sections for part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding after the item relating to section 30C the following new item:

“Sec. 30D. Advanced technology motor vehicles manufacturing credit.”;

(c) EFFECTIVE DATE.—The amendments made by this section (other than subsection (d)) shall apply to amounts incurred in taxable years beginning after December 31, 2016.

(2) Section 1364, as added by this Act, is amended by striking “2002” and inserting “2006”.

SA 909. Mr. ALEXANDER (for himself, Mr. WARNER, Ms. LANDRIEU, Mr. MCCAIN, Mr. ALLEN, Mr. VINOVICH, and Mr. BROWNBACK) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 697, between lines 6 and 7, insert the following:

SEC. 1270A. LOCAL CONTROL FOR SITING OF WINDMILLS.

(a) LOCAL NOTIFICATION.—Prior to the Federal Energy Regulatory Commission issuing to any wind turbine project its Exempt-Wholesale Generator Status, Market-Based Rate Authority, or Qualified Facility rate schedule, the Secretary shall complete its Local Notification Process.

(b) LOCAL NOTIFICATION PROCESS.—

(1) In this section, the term “Local Authorities” means the Secretary and the senior executive of the body, at the lowest level of government that possesses authority under State law to carry out this Act.

(2) Applicant shall notify in writing the Local Authorities on the day of the filing of such Market-Based Rate application or Federal Energy Regulatory Commission Form number 556 (or a successor form) at the Federal Energy Regulatory Commission. Evidence of such notification shall be submitted to the Federal Energy Regulatory Commission.

(3) The Federal Energy Regulatory Commission shall provide the Local Authorities with a list of the Federal Energy Regulatory Commission Form number 556 (or a successor form) with respect to the project.

(4) The Federal Energy Regulatory Commission shall issue its decision not later than 180 days after the date on which the Local Authorities were notified.

(c) HIGHLY SCENIC AREA AND FEDERAL LAND.—

(1) A Highly Scenic Area is—

(i) any area listed as an official United Nations Educational, Scientific, and Cultural Organization World Heritage Site, as supported by the Department of the Interior, the National Park Service, and the International Council on Monuments and Sites;

(ii) land designated as a National Park;

(iii) a National Monument;

(iv) a National Seashore;

(v) a National Wildlife Refuge that is adjacent to an ocean;

(vi) a National Military Park;

(vii) the Flint Hills National Wildlife Refuge;

(viii) the Tallgrass Prairie National Preserve;

(ix) the Flint Hills Tallgrass Prairie Preserve or the Konza Prairie in the State of Kansas.

(b) The term “Highly Scenic Area” does not include—

(i) any coastal wildlife refuge located in the State of Louisiana;

(ii) an area in the State of Alaska.

(2) A Qualified Wind Project is any wind-turbine project located—

(A) in a Highly Scenic Area; or

(B) within 20 miles of the coast of the United States and Canada known as of

SA 910. Mr. THOMAS submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 523, between lines 13 and 14, insert the following:

SEC. 95. HEAVY OIL RESEARCH, DEVELOPMENT, AND DEMONSTRATION.

(a) FINDINGS.—Congress finds that—

(1) the continued imbalance between the oil consumption and conventional crude oil reserves of the United States has resulted in unacceptable dependency on foreign oil supplies;

(2) national energy security requires rapid development of alternative energy resources that are both commercially recoverable and compatible with the infrastructure for processing, distribution, and use in existence as of the date of enactment of this Act;

(3) the Western Hemisphere contains the largest resources of heavy oil and natural bitumen in the world, but no in-depth assessment of domestic heavy oil has been completed since 1987;

(4) an up-to-date, in-depth assessment of domestic heavy oil would be of high value to energy policymakers and industry and could provide insights into formulation of policies, initiatives, and technology for more efficient development of this important resource; and

(5) resources of heavy oil and bitumen in the United States and Canada known as of
the date of enactment of this Act alone could supply crude oil demand in both countries for well over 100 years; (6) the States of Alabama, Alaska, Ken- tucky, Missouri, Oklahoma, Texas, and Utah have significant deposits of heavy oil and bitumen; (7) emerging technologies for in situ production of heavy oil and bitumen have been verified experimentally in both Canada and the United States and have been employed successfully in the field in Canada; (8) Canadian projects have received substantial government subsidies and United States production should receive similar financial support; (9) potential environmental impacts from in situ production of heavy oil and bitumen appear more manageable than impacts from other processes for unconventional oil extraction; (10) testing as of the date of enactment of this Act indicates that in some cases, heavy hydrocarbon production technologies can be combined with cogeneration facilities to reduce recovery costs and produce electricity economically; and (11) current licensing indicates that emerging acoustic agglomeration technologies are capable of converting heavy oil production and refinery wastes into materials capable of use in conversion production, or refining processes, or other reuse to produce electricity, thermal energy, chemicals, liquid fuels, or hydrogen.

(b) PROGRAM.— 
(1) In general.—The Secretary shall establish a program for research, development, and commercial demonstration of technologies for in situ production of heavy oil and natural bitumen. (2) Assessment.—In carrying out the program, the Secretary shall first update the technical and economic assessment of domestic heavy oil resources prepared in 1987 by the Interstate Oil and Gas Compact Commission to cover— (A) the entire continent of North America; and (B) all unconventional oil resources, including heavy oil, tar sands, and oil shale.

(c) Administration.—The program shall— (1) focus initially on technologies and domestic heavy oil resources by selecting those that are likely to result in significant commercial production in the near future, including technologies that combine heavy oil recovery with electric power generation; and (2) include research necessary— (A) to ensure that refinery processes are capable of providing conventional petroleum products from the crude oils derived from heavy oil and bitumen production; and (B) to assist in recycling and reuse of associated production and refinery wastes.

(d) Cost sharing.—Cost sharing shall not be required under the program.

(e) Authorization of Appropriations.— (1) In general.—There is authorized to be appropriated to the Secretary to carry out this section $50,000,000 for each of fiscal years 2006 through 2010.

(2) Nondiscretionary set-aside.—Of the amount authorized to be applied under paragraph (1) for fiscal year 2006, $1,000,000 shall be provided to the Interstate Oil and Gas Compact Commission for use in updating and expanding the assessment described in subsection (b)(2).

SA 912. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows: At the appropriate place insert the following:

SEC. 3. ENHANCED OIL RECOVERY INCENTIVES FOR THE PRODUCTION OF OIL FROM SHALE. 
(a) In General.—Section 43(c) of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following:

"(7) APPLICATION OF SECTION TO QUALIFIED OIL SHALE WELL PROJECTS.—

"(A) In general.—For purposes of this section, the taxpayer’s qualified oil shale well project costs for any taxable year shall be treated in the same manner as if they were qualified enhanced oil recovery costs.

"(B) QUALIFIED OIL SHALE WELL PROJECT COSTS.—The term ‘qualified oil shale well project’ shall be the costs determined under paragraph (1) by substituting ‘qualified oil shale well project’ for ‘qualified enhanced oil recovery project’ each place it appears.

"(C) QUALIFIED OIL SHALE WELL PROJECT.—For purposes of this paragraph, the term ‘qualified oil shale well project’ means any project—

"(i) which involves the construction and operation of a well to produce oil in naturally liquid form from shale, and

"(ii) which is located within the United States.

"(D) PHASE-OUT NOT TO APPLY.—Subsection (b) shall not apply to any qualified oil shale well project.

"(E) TERMINATION.—This paragraph shall not apply to qualified oil well shale project costs paid or incurred after December 31, 2010.

"(f) Authorization of Appropriations.—

(B) to assist in recycling and reuse of associated production and refinery wastes.

(Sec. 372. Report on Sharing Outer Continental Shelf Revenues.

Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a report on alternatives and recommendations of the Secretary for formulas for sharing revenues produced from leasing land on the outer Continental Shelf.

SA 915. Ms. LANDRIEU submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

SEC. 3. ENHANCED OIL RECOVERY INCENTIVES FOR THE PRODUCTION OF OIL FROM SHALE. 
(a) In General.—Section 43(c) of the Internal Revenue Code of 1986, as amended by this Act, is amended by adding at the end the following:

"(7) APPLICATION OF SECTION TO QUALIFIED OIL SHALE WELL PROJECTS.—

"(A) In general.—For purposes of this section, the taxpayer’s qualified oil shale well project costs for any taxable year shall be treated in the same manner as if they were qualified enhanced oil recovery costs.

"(B) QUALIFIED OIL SHALE WELL PROJECT COSTS.—The term ‘qualified oil shale well project’ shall be the costs determined under paragraph (1) by substituting ‘qualified oil shale well project’ for ‘qualified enhanced oil recovery project’ each place it appears.

"(C) QUALIFIED OIL SHALE WELL PROJECT.—For purposes of this paragraph, the term ‘qualified oil shale well project’ means any project—

"(i) which involves the construction and operation of a well to produce oil in naturally liquid form from shale, and

"(ii) which is located within the United States.

"(D) PHASE-OUT NOT TO APPLY.—Subsection (b) shall not apply to any qualified oil shale well project.

"(E) TERMINATION.—This paragraph shall not apply to qualified oil well shale project costs paid or incurred after December 31, 2010.

"(f) Authorization of Appropriations.—

(B) to assist in recycling and reuse of associated production and refinery wastes.

(Sec. 372. Report on Sharing Outer Continental Shelf Revenues.

Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a report on alternatives and recommendations of the Secretary for formulas for sharing revenues produced from leasing land on the outer Continental Shelf.
At the end of title XVI, add the following:

Subtitle C—National Greenhouse Gas Database

SEC. 1621. PURPOSE.
The purpose of this subtitle is to establish a greenhouse gas inventory, reductions registry, and information system that—

(1) are complete, consistent, transparent, and accurate;

(2) will create reliable and accurate data that can be used by public and private entities to design efficient and effective greenhouse gas emission reduction strategies; and

(3) promote and encourage greenhouse gas emission reductions.

SEC. 1622. DEFINITIONS.

In this subtitle—

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) BASELINE.—The term “baseline” means the historic greenhouse gas emission levels of an entity, as adjusted upward by the designated agency to reflect actual reductions that are verified in accordance with—

(A) regulations issued under section 1622(c)(1); and

(B) relevant standards and methods developed under this subtitle.

(3) DATAWATER.—The term “datawater” means the National Greenhouse Gas Database established under section 1624.

(4) DISINTEGRATED AGENCY.—The term “disinegrated agency” means a department or agency to which responsibility for a function or program is assigned under the memorandum of agreement entered into under section 1621(a).

(5) DIRECT EMISSIONS.—The term “direct emissions” means greenhouse gas emissions by an entity from a facility that is owned or controlled by that entity.

(6) ENTITY.—The term “entity” means—

(A) a person located in the United States; or

(B) a public or private entity, to the extent that the entity operates in the United States.

(7) FACILITY.—The term “facility” means—

(A) all buildings, structures, or installations located on any 1 or more contiguous or adjacent properties of an entity in the United States; and

(B) a fleet of 20 or more motor vehicles under the common control of an entity.

(8) GREENHOUSE GAS.—The term “greenhouse gas” means carbon dioxide; methane; nitrous oxide; hydrofluorocarbons; perfluorocarbons; sulfur hexafluoride; and any other anthropogenic, climate-forcing emission with significant ascertainable global warming potential, as—

(1) recommended by the National Academy of Sciences under section 1622(b)(3); and

(2) determined in regulations issued under section 1622(c)(1) (or revisions to the regulations) to be appropriate and practicable for coverage under this subtitle.

(9) INDIRECT EMISSIONS.—The term “indirect emissions” means greenhouse gas emissions that—

(A) are a result of the activities of an entity, but

(B)(i) are emitted from a facility owned or controlled by another entity; and

(ii) are not reported as direct emissions by the entity from activities of which resulted in the emissions.

(10) REGISTRY.—The term “registry” means the registry of greenhouse gas emission reductions established as a component of the database under section 1624(b)(2).

(11) SEQUESTRATION.—
paragraph (1), the designated agencies shall develop and implement a system that provides—
(A) for the provision of unique serial numbers to each verified emission reduction made by an entity relative to the baseline of the entity;
(B) for the tracking of the reductions associated with that serial number; and
(C) that the reductions may be applied, as determined to be appropriate by any Act of Congress enacted after the date of enactment of this Act, toward a Federal requirement established by Congress enacted after the date of enactment of this Act.

SEC. 1625. GREENHOUSE GAS REDUCTION REPORTING.

(a) IN GENERAL.—An entity that participates in the registry shall meet the requirements described in subsection (b).

(b) REQUIREMENTS.—

(1) IN GENERAL.—The requirements referred to in subsection (a) are that an entity (other than an entity described in paragraph (2)) shall—

(A) establish a baseline (including all of the entity’s greenhouse gas emissions on an entity-wide basis) of this Act; and

(B) submit the report described in subsection (c)(1).

(2) REQUIREMENTS APPLICABLE TO ENTITIES ENTERING INTO CERTAIN AGREEMENTS.—An entity that enters into an agreement with a designated agency for the purpose of establishing a baseline for the purposes of section 1624(c)(1) and, not later than April 1 of each calendar year thereafter, subject to paragraph (3), an entity described in subsection (a) shall submit to each appropriate designated agency a report that describes, for the preceding calendar year, the entity-wide greenhouse gas emissions (as reported at the facility level), including—

(A) the total quantity of each greenhouse gas emitted, expressed in terms of mass and in terms of the quantity of carbon dioxide equivalent; and

(B) an estimate of the greenhouse gas emissions from fossil fuel combusted by products manufactured and sold by the entity in the calendar year, determined over the average lifetime of those products; and

(C) such other categories of emissions as the designated agency determines in the regulations issued under section 1624(c)(1) may be practicable and useful for the purposes of this subtitle, such as—

(i) direct emissions from stationary sources;

(ii) indirect emissions from imported electricity, heat, and steam;

(iii) process and fugitive emissions; and

(iv) production or importation of greenhouse gases.

(2) VOLUNTARY REPORTING.—An entity described in subsection (a) may (along with any other entity described in paragraph (1)) establish a baseline and reporting reductions under this section—

(A) submit a report described in paragraph (1) before the date specified in that paragraph for the purposes of achieving and commoditizing greenhouse gas reductions through use of the registry; and

(B) enter into an agreement with a designated agency, for inclusion in the registry, information that has been verified in accordance with regulations issued under section 1624(c)(1) and that relates to—

(i) with respect to the calendar year preceding the calendar year in which the information is verified and with respect to any greenhouse gas emitted by the entity—

(I) project reductions from facilities owned or controlled by the reporting entity in the United States;

(II) transfers of project reductions to and from any other entity;

(III) project reductions and transfers of project reductions outside the United States;

(IV) other indirect emissions that are not required to be reported under paragraph (1); and

(V) product use phase emissions;

(ii) with respect to greenhouse gas emission reduction activities of the entity that have been carried out during or after 1990 that have been verified in accordance with regulations issued under section 1624(c)(1), and submitted to 1 or more designated agencies before the date that is 4 years after the date of enactment of this Act, any greenhouse gas emission reductions that have been reported or submitted by an entity under—

(I) section 1625(b) of the Energy Policy Act of 1992 (42 U.S.C. 13385(b)); or

(II) any other Federal or State voluntary greenhouse gas reduction program; and

(iii) in the case of each voluntary report submitted by an entity under paragraph (1) only if, in any calendar year after the date of enactment of this Act—

(I) the total quantity of greenhouse gas emissions of at least 10,000 metric tons of carbon dioxide equivalent (or such greater quantity as may be established by a designated agency by regulation); or

(ii) (I) the total quantity of greenhouse gas emissions produced, distributed, or imported by the entity exceeds 10,000 metric tons of carbon dioxide equivalent (or such greater quantity as may be established by a designated agency by regulation); and

(II) the entity is not a feedlot or other farming operation (as defined in section 101 of title 11, United States Code).

(3) EXEMPTIONS FROM REPORTING.—

(A) IN GENERAL.—If the Director of the Office of National Climate Change Policy determines under section 1628(b) that the reporting requirements under paragraph (1) shall not apply to entities exempted by this paragraph), regardless of participation or nonparticipation in the registry, an entity shall be required to submit reports under paragraph (1) only if, in any calendar year after the date of enactment of this Act—

(i) the total greenhouse gas emissions of at least 10,000 metric tons of carbon dioxide equivalent (or such greater quantity as may be established by a designated agency by regulation); or

(ii) (I) the total quantity of greenhouse gas emissions produced, distributed, or imported by the entity exceeds 10,000 metric tons of carbon dioxide equivalent (or such greater quantity as may be established by a designated agency by regulation); and

(II) the entity is a feedlot or other farming operation (as defined in section 101 of title 11, United States Code).

(B) ENTITIES ALREADY REPORTING.—

(i) IN GENERAL.—An entity that, as of the date this Act is required to report on greenhouse gas emissions data to a Federal agency shall not be required to re-report that data for the purposes of this subtitle.

(ii) REVIEW OF PARTICIPATION.—For the purpose of section 1628, emissions reported under clause (i) shall be considered to be reported by the entity to the registry.

(4) PROVISION OF VERIFICATION INFORMATION BY REPORTING ENTITIES.—Each entity that is required to report under this section shall provide information sufficient for each designated agency to which the report is submitted to verify, in accordance with measurement and verification standards developed under section 1626, that the greenhouse gas report of the reporting entity—

(A) has been accurately reported; and

(B) in the case of each voluntary report under paragraph (2), represents—

(i) actual reductions in direct greenhouse gas emissions—

(I) relative to historic emission levels of the entity; and

(II) of any increases in—

(aa) direct emissions; and

(bb) indirect emissions described in paragraph (1)(C)(ii); or

(ii) actual increases in net sequestration.

(5) FAILURE TO SUBMIT REPORT.—An entity that participates or has participated in the registry and that fails to submit a report required under this subsection shall be prohibited from including emission reductions reported to the registry in the calculation of the baseline of the entity in future years.

(6) INDEPENDENT THIRD-PARTY VERIFICATION.—To meet the requirements of this section and section 1628, a entity that is required to submit a report under this section may—

(A) obtain independent third-party verification; and

(B) present the results of the third-party verification to each appropriate designated agency.

(7) AVAILABILITY OF DATA.—

(A) IN GENERAL.—The designated agencies shall ensure, to the maximum extent practicable, that information in the database is—

(i) published;

(ii) accessible to the public; and

(iii) made available in electronic format on the Internet.

(B) EXCEPTION.—Subparagraph (A) shall not apply in any case in which the designated agencies determine that publishing or otherwise making available information described in that subparagraph poses a risk to national security.

(8) DATA INFRASTRUCTURE.—The designated agencies shall ensure, to the maximum extent practicable, that the database is integrated with, Federal, State, and regional greenhouse gas data collection and reporting systems in effect as of the date of enactment of this Act.

(9) ADDITIONAL ISSUES TO BE CONSIDERED.—In promulgating the regulations under section 1628(c)(1) and implementing the database, the designated agencies shall take into consideration a broad range of issues involved in establishing an effective database, including—

(A) the appropriate units for reporting each greenhouse gas;

(B) the data and information systems and measures necessary to identify, track, and verify greenhouse gas emission reductions in a manner that will encourage the development of private sector trading and exchanges; and

(C) the greenhouse gas reduction and sequestration methods and standards applied in other countries, as applicable or relevant;

(D) the extent to which available biomass and bioenergy production and greenhouse gas production and importation data are adequate to implement the database;

(E) the differences in, and potential uses of, the data for governmental, private sector, and public sector and other relevant practices of persons and entities in the private and public sector.
sectors that may be expected to participate in the registry; and
(F) the need of the registry to maintain valid and reliable information on baselines of emissions and concentrations that, in the event of any future action by Congress to require entities, individually or collectively, to reduce greenhouse gas emissions, Congress will be able—
(i) to take into account that information; and
(ii) to avoid enacting legislation that penalizes entities for achieving and reporting reductions that are already realized.
Sec. 1626. Measurement and Verification.
(a) Standards.—
(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the designated agencies shall jointly develop comprehensive measurement and verification methods that will ensure that greenhouse gas emissions, sequestration, and atmospheric concentrations for use in the registry.
(2) Requirements.—The methods and standards developed under paragraph (1) shall address the need for—
(A) standardized measurement and verification practices for projects, programs, and activities that adequately address the issues described in section 1622(8)(G); and
(B) measurement and verification of activities that adequately address the issues described in section 1622(8)(H) on a pilot scale.
(C) in coordination with the Secretary of Agriculture, measurement of the results of the use of carbon sequestration and carbon capture technologies, including—
(i) organic soil carbon sequestration practices; and
(ii) forest preservation and reforestation activities that adequately address the issues of permanence, leakage, and verification;
(D) such other measurement and verification methods as the Secretary of Commerce, the Secretary of Agriculture, the Administrator, and the Secretary determine to be appropriate; and
(E) interagency agreement that, as determined by the designated agencies, will allow entities to adequately establish a fair and reliable measurement and reporting system.
(b) Review.—The designated agencies shall periodically review, and revise as necessary, the methods and standards developed under subsection (a).
(c) Public Participation.—The Secretary of Commerce shall—
(1) make available to the public for comment, in accordance with section 553 of title 5, United States Code, a draft of the standards developed under subsection (a); and
(2) after the 90-day period referred to in paragraph (1), in coordination with the Secretary, the Secretary of Agriculture, and the Administrator, adopt the methods and standards developed under subsection (a) for use in implementing the database.
(d) Experts and Consultants.—
(1) IN GENERAL.—The designated agencies may, in consultation with the services of experts and consultants in the private and nonprofit sectors in accordance with section 3109 of title 5, United States Code, in the areas of greenhouse gas measurements, certification, and emission trading.
(2) Available Arrangements.—In obtaining any service described in paragraph (1), the designated agencies may use any available grant, contract, cooperative agreement, or other arrangement authorized by law.
Sec. 1627. Independent Reviews.
(a) In General.—Not later than 5 years after the date of enactment of this Act, and every 3 years thereafter, the Comptroller General of the United States shall submit to Congress a report that describes any recommendations for improving—
(1) the reporting requirements under section 1625(c)(1); and
(2) the programs and projects carried out under this subtitle.
(b) Review of Scientific Methods.—The designated agencies shall—
(1) review the scientific methods and standards used by the designated agencies in implementing this subtitle; and
(2) not later than 4 years after the date of enactment of this Act, suggest to Congress a report that describes any recommendations for improving—
(A) the methods and standards; and
(B) related elements of the programs, and structure of the database, established by this subtitle; and
(3) regularly review and update as appropriate the list of anthropogenic climate-forcing emissions with significant global warming potential described in section 1622(b)(5).
Sec. 1628. Review of Participation.
(a) In General.—Not later than 5 years after the date of enactment of this Act, the Director of the Office of National Climate Change Policy shall determine whether the reports submitted under section 1625(c)(1) represent less than 60 percent of the national aggregate anthropogenic greenhouse gas emissions.
(b) Increased Accountability of Requirements.—If the Director of the Office of National Climate Change Policy determines that less than 60 percent of the aggregate anthropogenic greenhouse gas emissions are being reported to the registry—
(1) the reporting requirements under section 1625(c)(1) shall apply to all entities (except entities exempted under section 1625(c)(3)), regardless of any participation or nonparticipation by the entities in the registry; and
(2) each entity shall submit a report described in section 1625(c)(1)—
(A) not later than the earlier of—
(i) April 1 of the calendar year immediately following the year in which the Director of the Office of National Climate Change Policy makes the determination under subsection (a); or
(ii) the date that is 1 year after the date on which the Director of the Office of National Climate Change Policy makes the determination under subsection (a); and
(b) annually thereafter.
(c) Resolution of Disapproval.—For the purposes of this section, the determination of the Director of the Office of National Climate Change Policy under subsection (a) shall be considered to be a major rule (as defined in section 804(2) of title 5, United States Code) subject to the congressional disapproval procedure under section 802 of title 5, United States Code.
Sec. 1629. Enforcement.
If an entity that is required to report greenhouse gas emissions under section 1625(c)(1) or 1628 fails to comply with that requirement, the Attorney General may, at the request of the designated agencies, bring a civil action in United States district court against the entity to impose on the entity a civil penalty of not more than $25,000 for each day for which the entity fails to comply with that requirement.
Sec. 1630. Report on Statutory Changes and Harmonization.
Not later than 3 years after the date of enactment of this Act, the President shall submit to Congress a report that describes any changes to other provisions of law that are necessary to improve the accuracy or operation of the database and related programs under this subtitle.
Sec. 1631. Authorization of Appropriations.
There are authorized to be appropriated such sums as are necessary to carry out this subtitle.
“(b) COOPERATION AND COORDINATION IN BIOMASS RESEARCH AND DEVELOPMENT.—Section 304 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—
(1) in subsections (a) and (d), by striking ‘‘industrial products’’ each place it appears and inserting ‘‘fuels and biobased products’’;
(2) by striking subsections (b) and (c); and
(3) by redesignating subsection (d) as subsection (b).
(b) B IOMASS RESEARCH AND DEVELOPMENT BOARD.—Section 306 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—
(1) in subsections (a) and (e), by striking ‘‘industrial products’’ each place it appears and inserting ‘‘fuels and biobased products’’;
(2) in subsection (b)—
(A) in paragraph (1), by striking ‘‘304(b)(1)B’’ and inserting ‘‘304(b)(1)B’’; and
(B) in paragraph (2), by striking ‘‘304(b)(1)A’’ and inserting ‘‘304(b)(1)A’’; and
(3) in subsection (c)—
(A) in paragraph (1), by striking ‘‘and’’ at the end;
(B) in paragraph (2), by striking the period at the end and inserting a semicolon; and
(C) by adding at the end following:
‘‘(3) ensure that—
‘‘(C)Tree growth and development are open and competitive with awards made annually; and
‘‘(D) objectives and evaluation criteria of the solicitations are clearly stated and minimally prescriptive, with no areas of special interest; and
‘‘(3) ensure that the panel of scientific and technical peers assembled under section 307(o)(2)(C) to review proposals is composed predominantly of independent experts selected from outside the Departments of Agriculture and Energy.’’
(c) TECHNICAL ADVISORY COMMITTEE.—Section 307 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—
(1) in subsection (a), by striking ‘‘A’’ and inserting ‘‘an individual affiliated with the biobased industrial and commercial products industry;’’;
(2) in subparagraph (F) (as redesignated by subparagraph (B)) by striking ‘‘an individual or two individuals’’ and inserting ‘‘a private sector entity;’’;
(3) in subparagraphs (C), (D), (G), and (I) (as redesignated by subparagraph (B)) by striking ‘‘industrial products’’ each place it appears and inserting ‘‘fuels and biobased products’’; and
(F) in subparagraph (H) (as redesignated by subparagraph (B)) by striking ‘‘and environmentally’’ before ‘‘analysis’’;
(2) in subsection (c)2—
(A) in subparagraph (A), by striking ‘‘goals’’ and inserting ‘‘objectives, purposes, and considerations’’;
(B) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;
(C) by inserting after subparagraph (A) the following:
‘‘(B) solicitation notices are open and competitive with awards made annually that are objective and prescriptive, with no areas of special interest; and
(D) in subparagraph (C) (as redesignated by subparagraph (B)) by inserting ‘‘predominantly from outside the Departments of Agriculture and Energy’’ after ‘‘technical peers’’.
(e) BIOMASS RESEARCH AND DEVELOPMENT INITIATIVE.—Section 307 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—
(1) in subsection (a), by striking ‘‘research on industrial products’’ and inserting ‘‘research on biobased industrial products’’;
(2) in subsection (b)
(A) by redesignating subparagraph (D) as substitutes for petroleum-based fuels and biobased products, and the methods, practices and technologies, biotechnology, for their production’’; and
(B) by striking subparagraphs (b) and (c) and inserting the following:
‘‘(b) AGENCIES.—
‘‘(1) AGRICULTURE.—The Secretary of Agriculture, through the point of contact of the Department of Agriculture and in consultation with the Board, shall provide, or enter into, grants, contracts, and financial assistance under this section through the Cooperative State Research, Education, and Extension Service of the Department of Agriculture.
‘‘(2) ENERGY.—The Secretary of Energy, through the point of contact of the Department of Energy and in consultation with the Board, shall provide, or enter into, grants, contracts, and financial assistance under this section through the appropriate agency, as determined by the Secretary of Energy.
‘‘(c) OBJECTIVES.—The objectives of the Initiative are to develop—
‘‘(1) technologies and processes necessary for abundant commercial production of biobased fuels at prices competitive with fossil fuels;
‘‘(2) high-value biobased products—
‘‘(A) to enhance the economic viability of biobased fuels and power; and
‘‘(B) as substitutes for petroleum-based feedstocks and products; and
‘‘(3) a diversity of sustainable domestic sources of biomass for conversion to biobased fuels and biobased products.
‘‘(d) PURPOSES.—The purposes of the Initiative are—
‘‘(1) to increase the energy security of the United States;
‘‘(2) to create jobs and enhance the economic development of the rural economy;
‘‘(3) to advance the environment and public health; and
‘‘(4) to diversify markets for raw agricultural and forestry products.
‘‘(e) TECHNICAL AREAS.—To advance the objectives and purposes of the Initiative, the Secretary of Agriculture and the Secretary of Energy, in consultation with the Administrator of the Environmental Protection Agency and heads of other appropriate departments and agencies (referred to in this section as the ‘Secretaries’), shall direct research and development toward—
‘‘(1) feedstock production through the development of crops and cropping systems related to biobased industrial raw materials for conversion to biobased fuels and biobased products, including—
‘‘(A) development of advanced and dedicated crops with desired features, including enhanced productivity, broader site range, low requirements for chemical inputs, and enhanced processing;
‘‘(B) advanced crop production methods to achieve the features described in subparagraph (A);
‘‘(C) feedstock harvest, handling, transport, and storage; and
‘‘(D) strategies for integrating feedstock production into existing managed land;
‘‘(2) biobased fuels at prices competitive with fossil fuels; and biobased products on a large scale through life-cycle economic and environmental analysis and other means; and
‘‘(3) to assess the potential of Federal land and land management programs as feedstock resources for biobased fuels and biobased products, consistent with the integrity of soil and water resources and with other environmental considerations.
‘‘(f) ELIGIBLE ENTITIES.—To be eligible for a grant, contract, or assistance under this section, an applicant shall be—
‘‘(1) an institution of higher education;
‘‘(2) a national laboratory;
‘‘(3) a Federal research agency;
‘‘(4) a State research agency; and
‘‘(5) a private sector entity;"
(f) Reports.—Section 309 of the Biomass Research and Development Act of 2000 (Public Law 106–224; 7 U.S.C. 8101 note) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking “industrial product” and inserting “fuels and biobased products”; and

(B) in paragraph (3), by striking “industrial products” each place it appears and inserting “fuels and biobased products”; 

(2) by redesignating subsection (b) as subsection (c); and

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

(B) ASSESSMENT REPORT AND STRATEGIC PLAN.—Not later than 1 year after the date of enactment of the Energy Policy Act of 2005, the Secretary and the Secretary of Energy shall jointly submit to Congress a report that—

(1) describes the status and progress of current research and development efforts in both the Federal Government and private sector in achieving the objectives, purposes, and considerations of this title, specifically addressing each of the technical areas identified in section 307(h); and

(2) outlines a strategic plan for achieving the objectives, purposes, and considerations of this title; and

(4) in subsection (c) as redesignated by paragraph (2)—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking “proposed in section 307(h)”; and

(ii) by adding the following: “(ii) by inserting after subparagraph (B) the following:

(C) achieves the distribution of funds described in subsection (b); and

(D) gives some preference to applications that—

(i) involve a consortia of experts from multiple institutions;

(ii) encourage the integration of disciplines and application of the best technical resources; and

(iii) increase the geographic diversity of demonstration projects; 

(2) DISTRIBUTION OF FUNDING BY TECHNICAL AREA.—Of the funds authorized to be appropriated for activities described in this section, funds shall be distributed for each fiscal year so as to achieve an approximate distribution of—

(A) 20 percent of the funds to carry out activities for feedstock production under subsection (e)(1);

(B) 45 percent of the funds to carry out activities for overcoming recalcitrance of cellulosic biomass under subsection (e)(2);

(C) 30 percent of the funds to carry out activities for product diversification under subsection (e)(3); and

(D) 5 percent of the funds to carry out activities for strategic guidance under subsection (e)(4).

(3) DISTRIBUTION OF FUNDING WITHIN EACH TECHNICAL AREA.—Within each technical area described in paragraphs (1) through (3) of subsection (e), funds shall be distributed for each fiscal year so as to achieve an approximate distribution of—

(A) 15 percent of the funds for applied fundamentals;

(B) 35 percent of the funds for innovation; and

(C) 50 percent of the funds for demonstration.

(4) MATCHING FUNDS.—(A) IN GENERAL.—A minimum 20 percent matching fund shall be required for demonstration projects under this title.

(B) COMMERCIAL APPLICATIONS.—A minimum of 50 percent funding matching shall be required for commercial application projects under this title.

(5) TECHNOLOGY AND INFORMATION TRANSFER PROGRAM.—(A) IN GENERAL.—The Administrator of the Cooperative State Research, Education, and Extension Service and the Chief of the Natural Resources Conservation Service shall ensure that applicable research results and technologies from the Initiative are adapted, made available, and disseminated through outreach, as appropriate.

(B) REPORT.—Not later than 2 years after the date of enactment of this paragraph, and every 2 years thereafter, the Administrator of the Cooperative State Research, Education, and Extension Service and the Chief of the Natural Resources Conservation Service shall submit to the committees of Congress with jurisdiction over the Initiative a report describing the activities conducted by the services under this subsection.

(i) existing commercial reforming technology or modest modifications of existing technology to reform ethanol or other low-cost transportable renewable feedstocks into hydrogen.

(ii) converting at least 1 commercially available internal combustion engine hybrid electric passenger vehicle to operate on hydrogen;

(iii) installing and operating an ethanol reformer or reformer for other low-cost transportable renewable feedstock (including onsite hydrogen compression, storage, and dispensing) at the facilities of a fleet operator not later than 1 year after the date of the commencement of the program;

(iv) conducting the 1–5 percent hydrogen internal combustion engine hybrid electric vehicles for a period of 2 years; and

(v) collecting emissions and fuel economy data on the 1 or more hydrogen-powered vehicles over various operating and environmental conditions.

(3) ELECTRICAL GENERATION SECTOR OBJECTIVES.—The objectives of the program conducted under paragraph (1) in the rural electrical generation sector shall be to—

(A) design, develop, and test low-cost gasification equipment to convert biomass or hydrogen derived from biomass in either fuel cell generators, or, as an interim cost reduction option, in conventional internal combustion engine power plants;

(B) demonstrate low-cost electrical generation at such rural cooperatives or farmer-owned businesses, using renewable hydrogen; and

(C) determine the economic return to cooperatives or other businesses owned by farmers of producing hydrogen from biomass and selling electricity and hydrogen to agricultural economic returns from producing and selling conventional crops alone;

(D) evaluate the crop yield and long-term soil sustainability of growing and harvesting of feedstocks for biomass gasification, and

(E) demonstrate the use of a portion of the biomass-derived hydrogen in various agricultural vehicles to reduce—

(i) dependence on imported fossil fuel; and

(ii) environmental impacts.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection—

(A) $5,000,000 to carry out paragraph (2); and

(b) $5,000,000 to carry out paragraph (3).

SEC. 9. PRODUCTION INCENTIVES FOR CELULOSIC BIOFUELS.

(a) PURPOSE.—The purpose of this section is to—

(1) accelerate deployment and commercialization of biorefineries;

(2) deliver the first 1,000,000,000 gallons in annual cellulosic biofuels production by 2015;

(3) ensure biorefineries could be used as long as economic conditions exist; and

(4) ensure that small feedstock producers and rural small businesses are full participants in the development of the cellulosic biofuels industry.

(b) DEFINITIONS.—In this section:

(1) CELLULOSIC BIOFUELS.—The term ‘‘cellulosic biofuels’’ means any fuel that is produced from cellulosic feedstocks.

(2) ELIGIBLE ENTITY.—The term ‘‘eligible entity’’ means a producer of fuel from cellulosic biofuels the production facility of which—

(A) is located in the United States; and

(B) meets all applicable Federal and State permitting requirements;
(C) is to begin production of cellulosic biofuels not later than 3 years after the date of the reverse auction in which the producer participates; and

(D) meet any other financial criteria established by the Secretary.

(3) Secretary.—The term "Secretary" means the Secretary of Agriculture.

(c) Program.—(1) Establishment.—The Secretary, in consultation with the Secretary of Energy, the Secretary of Defense, and the Administrator of the Environmental Protection Agency, shall establish an incentive program for the production of cellulosic biofuels.

(2) Incentives.—Under the program, the Secretary shall award production incentives on a per gallon basis of cellulosic biofuels from eligible entities, through—

(A) set payments per gallon of cellulosic biofuels produced in an amount determined by the Secretary, until initiation of the first reverse auction; and

(B) reverse auction thereafter.

(3) First Reverse Auction.—The first reverse auction shall be held on the earlier of—

(A) not later than 1 year after the first year of annual production in the United States of 100,000,000 gallons of cellulosic biofuels, as determined by the Secretary; or

(B) not later than 3 years after the date of enactment of this Act.

(4) Reverse Auction Procedure.—(A) In General.—On initiation of the first reverse auction, or each year thereafter by the Secretary, or not later than 1 year after the first year of annual production in the United States of 1,000,000,000 gallons of cellulosic biofuels, as determined by the Secretary, or 10 years after the date of enactment of this Act, the Secretary shall conduct a reverse auction at which—

(i) the Secretary shall solicit bids from eligible entities;

(ii) eligible entities shall submit—

(A) a desired level of production incentive on a per gallon basis; and

(B) an estimated annual production amount in gallons; and

(iii) the Secretary shall issue awards for the production amount submitted, beginning with the eligible entity submitting the bid for the lowest level of production incentive on a per gallon basis, until the amount of funds available for the reverse auction is committed.

(B) Amount of Incentive Received.—An eligible entity selected by the Secretary through reverse auction shall receive the amount of performance incentive requested in the auction for each gallon produced and sold by the entity during the first 6 years of operation.

(d) Limitations.—Awards under this section shall be limited to—

(1) a per gallon amount determined by the Secretary during the first 4 years of the program;

(2) a declining per gallon cap over the remaining lifetime of the program, to be established by the Secretary, so that cellulosic biofuels produced after the first year of annual cellulosic biofuels production in the United States in excess of 1,000,000,000 gallons shall cost competitive with gasoline and diesel;

(3) not more than 25 percent of the funds committed within each reverse auction to any 1 recipient;

(4) not more than $100,000,000 in any 1 year; and

(5) not more than $1,000,000,000 over the lifetime of the program.

(e) Priority.—In selecting a project under the program, the Secretary shall give priority to—

(1) demonstrate outstanding potential for local and regional economic development;

(2) include agricultural producers or co-operatives of agricultural producers as equity partners in the ventures; and

(3) have a strategic agreement in place to fairly reward suppliers.

(f) Authorizations of Appropriations.—There is authorized to be appropriated to carry out this section $250,000,000.

SEC. 9. PROCUREMENT OF BIOPRODUCT MARKETING AND CERTIFICATION GRANTS.

(a) In General.—Using amounts made available under subsection (g), the Secretary of Agriculture (referred to in this section as the "Secretary") shall make available on a competitive basis grants to eligible entities described in subsection (b) for the bioplastic product marketing and certification purposes described in subsection (c).

(b) Eligible Entities.—An entity eligible for a grant under this section is any manufacturer of biorelated products that—

(1) has fewer than 50 employees;

(2) proposes to use the grant for the bioplastic product marketing and certification purposes described in subsection (c); and

(3) has not previously received a grant under this section.

(c) Bioplastic Product Marketing and Certification Grant Purposes.—A grant made under this section shall be used—

(1) to plan activities and working capital for marketing of bioplastic products; and

(2) to purchase private sector cost sharing for the certification of bioplastic products.

(d) Matching Funds.—In General.—Grant recipients shall provide matching non-Federal funds equal to the amount of the grant received.

(2) Expenditure.—Matching funds shall be expended in accordance with the grant, so that for every dollar of grant awarded, an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement.

(e) Amount.—A grant made under this section shall not exceed $100,000.

(f) Administration.—The Secretary shall establish such administrative requirements for grants under this section, including requirements for applications for the grants, as the Secretary considers necessary for the efficient and effective administration of this section.

(g) Authorizations of Appropriations.—There are authorized to be appropriated to make grants under this section—

(1) $1,000,000 for fiscal year 2006; and

(2) such sums as are necessary for each fiscal year 2007 and each subsequent fiscal year.

SEC. 9. REGIONAL BIOECONOMY DEVELOPMENT ASSOCIATION GRANTS.

(a) In General.—Using amounts made available under subsection (g), the Secretary of Agriculture (referred to in this section as the "Secretary") shall make available on a competitive basis grants to eligible entities described in subsection (b) for the purposes described in subsection (c).

(b) Eligible Entities.—An entity eligible for a grant under this section is any regional bioeconomy development association, agricultural or energy trade association, or Land Grant institution that—

(1) proposes to use the grant for the purposes described in subsection (c); and

(2) has not previously received a grant under this section.

(c) Regional Bioeconomy Development Association Grant Purposes.—A grant made under this section shall be used to—

(1) $1,000,000 for fiscal year 2006; and

(2) such sums as are necessary for fiscal year 2007 and each subsequent fiscal year.

SEC. 9. SMALL BUSINESS BIOPRODUCT MARKETING AND CERTIFICATION GRANTS.

(a) In General.—Using amounts made available under subsection (g), the Secretary of Agriculture (referred to in this section as the “Secretary”) shall make available on a competitive basis grants to eligible entities described in subsection (b) for the bioplastic product marketing and certification purposes described in subsection (c).

(b) Eligible Entities.—An entity eligible for a grant under this section is any manufacturer of biorelated products that—

(1) has fewer than 50 employees;

(2) proposes to use the grant for the bioplastic product marketing and certification purposes described in subsection (c); and

(3) has not previously received a grant under this section.

(c) Bioplastic Product Marketing and Certification Grant Purposes.—A grant made under this section shall be used—

(1) to plan activities and working capital for marketing of bioplastic products; and

(2) to purchase private sector cost sharing for the certification of bioplastic products.

(d) Matching Funds.—In General.—Grant recipients shall provide matching non-Federal funds equal to the amount of the grant received.

(2) Expenditure.—Matching funds shall be expended in accordance with the grant, so that for every dollar of grant awarded, an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement.

(e) Amount.—A grant made under this section shall not exceed $100,000.

(f) Administration.—The Secretary shall establish such administrative requirements for grants under this section, including requirements for applications for the grants, as the Secretary considers necessary for the efficient and effective administration of this section.

(g) Authorizations of Appropriations.—There are authorized to be appropriated to make grants under this section—

(1) $1,000,000 for fiscal year 2006; and

(2) such sums as are necessary for each fiscal year 2007 and each subsequent fiscal year.

SEC. 9. REGIONAL BIOECONOMY DEVELOPMENT ASSOCIATION GRANT PURPOSES.—A grant made under this section shall be used to—

(1) to plan activities and working capital for marketing of biorelated products; and

(2) to purchase private sector cost sharing for the certification of biorelated products.

(d) Matching Funds.—In General.—Grant recipients shall provide matching non-Federal funds equal to the amount of the grant received.

(2) Expenditure.—Matching funds shall be expended in accordance with the grant, so that for every dollar of grant awarded, an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement.

(e) Amount.—A grant made under this section shall not exceed $100,000.

(f) Administration.—The Secretary shall establish such administrative requirements for grants under this section, including requirements for applications for the grants, as the Secretary considers necessary for the efficient and effective administration of this section.

(g) Authorizations of Appropriations.—There are authorized to be appropriated to make grants under this section—

(1) $1,000,000 for fiscal year 2006; and

(2) such sums as are necessary for each fiscal year 2007 and each subsequent fiscal year.
for grants under this section, including requirements for applications for the grants, as the Secretary considers appropriate.

(f) AMOUNT.—A grant made under this section shall not exceed $500,000.

(g) AUTHORIZATIONS OF APPROPRIATIONS.—

There are authorized to be appropriated to make grants under this section—

(1) $5,000,000 for each of fiscal years 2006 and 2007; and

(2) such sums as are necessary for fiscal year 2007 and each subsequent fiscal year.

SEC. 9. PREPROCESSING AND HARVESTING TECHNIQUE GRANTS.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the ‘‘Secretary’’) shall make grants available on a competitive basis to entities that are agricultural producers, for the purposes of demonstrating cost-effective, cellulosic biomass innovations including—

(1) preprocessing of feedstocks, including cleaning, separating and sorting, mixing or blending, and chemical or biochemical treatments, to add value and lower the cost of feedstock processing at a biorefinery; or

(2) 1-pass or other efficient, multiple crop harvesting techniques.

(b) LIMITATIONS ON GRANTS.—

(1) NUMBER OF GRANTS.—Not more than 5 demonstration projects per fiscal year shall be funded under this section.

(2) FEDERAL COST SHARE.—The non-Federal cost share of a project under this section shall be not less than 20 percent, as determined by the Secretary.

(c) LIMITATION ON GRANTS.—To be eligible for a grant under this section, a recipient of a grant or a participating entity shall agree to use the material harvested under the project—

(1) to produce ethanol; or

(2) for another energy purpose, such as the generation of heat or electricity.

(d) LIMITATIONS ON APPROPRIATIONS.—

There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2008 through 2010.

SEC. 9A. SENSE OF THE SENATE.

It is the sense of the Senate that Congress should amend the Federal tax code to encourage investment in, and production and use of, biobased fuels and biobased products through—

(1) an investment tax credit for the construction or modification of facilities for the production of hydrocarbons from cellulosic biomass, to drive private capital towards new biorefinery projects in a manner that allows participation by smaller farms and cooperatives;

(2) an investment tax credit to small manufacturers of biobased products to lower the capital costs of starting and maintaining a biobased business.

SEC. 9B. EDUCATION AND OUTREACH.

(a) IN GENERAL.—The Secretary of Agriculture shall establish, within the Department of Agriculture or through an independent entity, a program of education and outreach on biobased fuels and biobased products consisting of—

(1) training and technical assistance programs for feedstock producers to promote producer ownership, investment, and participation in the operation of processing facilities; and

(2) public education and outreach to familiarize consumers with the biobased fuels and biobased products.

(b) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this title $1,000,000 for each of fiscal years 2006 through 2010.

SEC. 9C. REPORTS.

(a) Biobased Product Potential.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture (referred to in this section as the ‘‘Secretary’’) shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the potential market for biobased products.

(b) Biobased Product Potential.—Such report shall include a description of the potential market for biobased products.

(c) Economic and Technological Development.—Such report shall also include a description of the economic and technological development of biobased products.

(d) Analysis of Economic Indicators.—Not later than 2 years after the date of enactment of this Act, and every 2 years thereafter, such report shall include an analysis of economic indicators of the biobased economy during the 2-year period preceding the analysis.

SA 920. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered printed.

SEC. 10. HYDROGEN INTERMEDIATE FEEDSTOCK RESEARCH PROGRAM.

(a) IN GENERAL.—The Secretary, in coordination with the Secretary of Agriculture, shall carry out a 5-year program of research, development, and demonstration of—

(1) the use of ethanol and other low-cost transportable renewable feedstocks as intermediate fuels for the safe, energy efficient, and cost-effective transportation of hydrogen;

(2) hydrogen; and

(3) renewable feedstocks as intermediate fuels for the safe, energy efficient, and cost-effective transportation of hydrogen.

(b) GOALS.—The goals of the program shall include—

(1) demonstrating the cost-effective conversion of ethanol or other low-cost transportable renewable feedstocks to pure hydrogen suitable for eventual use in fuel cells;

(2) using existing commercial reforming technology or modest modifications of existing technology to reform ethanol or other low-cost transportable renewable feedstocks to pure hydrogen;

(3) converting at least 1 commercially available internal combustion engine hybrid electric passenger vehicle to operate on hydrogen;

(4) not later than 1 year after the date on which the program begins, installing and operating an ethanol reformer, or reformer for another low-cost transportable renewable feedstock (including onsite hydrogen compression, storage, and dispensing), at the facilities of a fleet operator;

(5) operating the 1 or more vehicles described in paragraph (3) for a period of at least 2 years; and

(6) collecting emissions and fuel economy data on the 1 or more vehicles described in paragraph (3) in various operating and environmental conditions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000.

SA 921. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered printed.

SEC. 11. APPLICATION OF SECTION 45 CREDIT TO AGRICULTURAL COOPERATIVES.

(a) REQUIREMENT TO EQUIP AUTOMOBILES FOR FLEXIBLE FUEL OPERATION.

SA 922. Mr. HARKIN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered printed.

SEC. 12. REQUIREMENT TO EQUIP AUTOMOBILES FOR FLEXIBLE FUEL OPERATION.

(a) REQUIREMENT TO EQUIP AUTOMOBILES FOR FLEXIBLE FUEL OPERATION.
§ 32902A. Requirement to equip automobiles for flexible fuel operation

(a) DEFINITION.—In this section, the term ‘flexible fuel operation’ means the capability to operate using gasoline and 1 or more alternative fuels, including—

(1) ethanol and other alternative fuels in blends of at least 85 percent alternative fuel by volume;

(2) electricity from an external charging source sufficient to power the vehicle for at least 20 miles of driving.

(b) REQUIREMENT.—

(1) IN GENERAL.—An automobile that is manufactured by a manufacturer for a model year after model year 2008 and is capable of being powered by gasoline to power motor vehicles in the United States.

(2) SCHEDULE.—For each manufacturer described in paragraph (1), the schedule shall be—

(A) in the case of model year 2009, 10 percent of the automobiles manufactured by the manufacturer; and

(B) in the case of each subsequent model year, the percent established for the preceding model year increased by 10 percent, to a maximum of 50 percent.

(c) AUTOMOBILE.—The term ‘automobile’ includes—

(1) non-passenger automobiles.

(d) REQUIREMENT.—The Secretary of Transportation shall issue the regulations required under subsection (a) no later than 60 days after the date referred to in paragraph (b).
SEC. 721. HYBRID VEHICLES RESEARCH AND DEVELOPMENT.
(a) RESEARCH ON ENERGY STORAGE SYSTEMS AND OTHER TECHNOLOGIES.—The Secretary of Energy shall accelerate research and development toward the improvement of hybrid vehicles that are capable of using nonhybrid energy storage systems, power electronics, hybrid systems integration, and other technologies for use in hybrid vehicles.

(b) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for each of fiscal years 2006, 2007, and 2008 in the amount of $50,000,000 for research and development activities under this section.

SEC. 722. DIESEL FUELED VEHICLES RESEARCH AND DEVELOPMENT.
(a) DIESEL COMBUSTION AND AFTER TREATMENT TECHNOLOGIES.—The Secretary of Energy shall accelerate research and development toward the improvement of diesel combustion and after treatment technologies for use in diesel fueled motor vehicles.

(b) GOALS.—The Secretary shall carry out subsection (a) with a view to achieving the following goals:

(1) COMPLIANCE WITH CERTAIN EMISSION STANDARDS BY 2010.—Developing and demonstrating diesel technologies that, not later than 2010, meet the following standards:

(1) Tier 2 emission standards.

(2) Heavy-duty emission standards of 2007.

(2) POST-2010 HIGHLY EFFICIENT TECHNOLOGIES.—Developing the next generation of low emissions, high efficiency diesel engine technologies, including homogeneous charge compression ignition technology.

(c) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for each of fiscal years 2006, 2007, and 2008 in the amount of $50,000,000 for research and development of advanced combustion engines and advanced fuels.

SEC. 723. PROCUREMENT OF ALTERNATIVE FUELED PASSENGER AUTOMOBILES.
(a) VEHICLE Fleets NOT CONVEYED By ReQuireMent IN Energy PolICY Act of 1992.—The head of each agency of the executive branch shall coordinate with the Administrator of General Services to ensure that only hybrid vehicles purchased by or for each agency fleet of light duty vehicles that is not in a fleet of vehicles to which section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) applies.

(b) WaIVER AUTHORITY.—The head of an agency, in consultation with the Administrator, may waive the applicability of the policy regarding the procurement of alternative fueled vehicles in paragraphs (1) to (9) to that agency fleet to the extent that the head of that agency determines necessary.

(1) to meet specific requirements of the agency for that fleet;

(2) to procure vehicles consistent with the standards applicable to the procurement of fleet vehicles for the Federal Government;

(3) to adjust to limitations on the commercial availability of light duty trucks that are hybrid vehicles; or

(4) to avoid the necessity of procuring a hybrid vehicle for the agency when each of the hybrid vehicles available for meeting the requirements of the agency has a cost to the United States that exceeds the costs of comparable nonhybrid vehicles by a factor that is significantly higher than the difference between—

(i) the real cost of the hybrid vehicle to retail purchasers, taking into account the benefit of any tax incentives available to retail purchasers for the purchase of the hybrid vehicle; and

(ii) the costs of the comparable nonhybrid vehicles to retail purchasers.

(3) APPLICABILITY TO PROCUREMENTS AFTER FISCAL YEAR 2006.—This subsection applies with respect to procurements of light duty trucks in fiscal year 2006 and subsequent fiscal years.

(b) INAPPLICABILITY TO DEPARTMENT OF DEFENSE.—This section does not apply to the Department of Defense, which is subject to comparable requirements under section 318 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1055; 10 U.S.C. 2302 note).

SEC. 725. DEFINITIONS.
In this chapter:

(1) HYBRID VEHICLE.—The term “hybrid vehicle” means—

(A) a hybrid vehicle, as defined in section 301(3) of the Energy Policy Act of 1992 (42 U.S.C. 13212); or

(B) a motor vehicle that operates on a blend of fuel that is at least 20 percent (by volume) biodiesel, as defined in section 312(b)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13220(b)); and

(C) a motor vehicle that operates on a blend of fuel that is at least 20 percent (by volume) aliphatic compounds produced from agricultural and animal waste.

(2) HEAVY-DUTY EMISSION STANDARDS OF 2007.—The term “heavy-duty emission standards of 2007” means the motor vehicle emission standards promulgated by the Administrator of the Environmental Protection Agency on January 18, 2001, under section 202 of the Clean Air Act to apply to heavy-duty vehicles of model years beginning with the 2007 vehicle model year.

(3) HYBRID VEHICLE.—The term “hybrid vehicle” means—

(A) a motor vehicle that draws propulsion energy from on board sources of stored energy via both—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system; and

(B) any other vehicle that is defined as a hybrid vehicle in regulations prescribed by

SEC. 724. PROCUREMENT OF HYBRID LIGHT AND MEDIUM-DUTY VEHICLES.
(a) VEhicle Fleets NOT COVERED By REQuireMent IN Energy PolICY Act of 1992.—

(b) IN CREASES.

(1) M ANUFACTURING INCENTIVES.

(2) P OSIT-2010 HIGHLY EFFICIENT TECH -NOLOGIES.

(3) APPLICABILITY To PROCUREMENTs AFTER FISCAL Year 2005.—This subsection applies with respect to procurements of alternative fueled vehicles in fiscal year 2006 and subsequent fiscal years.

(c) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for each of fiscal years 2006, 2007, and 2008 in the amount of $50,000,000 for research and development activities under this section.

(d) ADOPTION OF FUEL ECONOMY STANDARDS FOR PASSENGER AUTOMOBILES.—

(e) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for each of fiscal years 2006, 2007, and 2008 in the amount of $50,000,000 for research and development activities under this section.

(4) Motor vehicle.—The term ‘‘motor vehicle’’ means a vehicle that is equipped primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails) and that is designed to move on land or water. The term ‘‘light truck’’ means a vehicle that is equipped primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails) and that is designed to move on land or water. The term ‘‘light truck’’ includes: (i) any vehicle of not more than 8,500 pounds; (ii) a vehicle of not more than 14,000 pounds; and (iii) a vehicle of more than 26,000 pounds.

(5) Tier 2 emission standards.—The term ‘‘Tier 2 emission standards’’ means the motor vehicle emission standards promulgated by the Administrator of the Environmental Protection Agency on February 10, 2000, under section 202 of the Clean Air Act (42 U.S.C. 7521 et seq.) to apply to passenger automobiles, and larger passenger vehicles of model years after the 2003 vehicle model year.

(6) Terms defined in EPA regulations.—The term ‘‘passenger automobile’’ and ‘‘light truck’’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

SA 926. Mr. OBAMA submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

Of the amounts authorized within this section, no less than $10 million shall be for a project administered through the Chicago Operations Office, to demonstrate the viability of a new mercury removal technology on commercial operations, where such generation is located in a highly populated urban area, and where the technology has undergone a successful field test sanctioned by the Department, and has been demonstrated to have no adverse effect on the performance or efficiency of existing emissions control equipment or other plant commercial operations. The expenditures under this section shall be shared in accordance with section 1002.

SA 927. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

SEC. 13. FUEL CELL AND HYDROGEN TECHNOLOGY STUDY.

(a) FINDINGS.—Congress finds that—

(1) according to the National Academy of Sciences, ‘‘Greenhouse gases are accumulating in Earth’s atmosphere as a result of human activities, causing surface air temperatures and subsurface ocean temperatures to rise . . . Human-induced warming and associated sea level rises are expected to continue through the 21st century. . . .’’;

(2) in 2001, the Intergovernmental Panel on Climate Change (IPCC) concluded that the average temperature of the Earth can be expected to rise between 2.5 and 10.4 degrees Fahrenheit by 2100 and ‘‘there is new and stronger evidence that most of the warming observed over the last 50 years is attributable to human activities’’;

(3) a study of the National Academy of Sciences has stated that ‘‘the IPCC’s conclusion that most of the observed warming of the last 50 years is likely to have been due to the increase in greenhouse gas concentrations accurately reflects the current thinking of the scientific community on this issue’’ and that ‘‘there is general agreement that the observed warming is real and particularly strong within the past twenty years’’;

(4) a significant Federal investment toward the development of fuel cell technology and fuel cell vehicles could significantly contribute to the reduction of carbon dioxide emissions by reducing fuel consumption;

(5) a massive infusion of resources and leadership from the Federal Government would be needed to create the necessary fuel cell technology and fuel cell vehicle infrastructure, which is a more efficient use of energy; and

(6) the Federal Government would need to commit to developing, in conjunction with private industry and academia, advanced vehicle technologies and the necessary hydrogen infrastructure to provide alternatives to petroleum.

(b) STUDY.—

(1) IN GENERAL.—As soon as practicable after the date of this Act, the Secretary shall enter into a contract with the National Academy of Sciences and the National Research Council to carry out a study that provides a budget roadmap for the development of fuel cell technologies and the transition from petroleum to hydrogen in vehicles.

(2) REQUIREMENTS.—In carrying out the study, the National Academy of Sciences and the National Research Council shall—

(A) establish as a goal the maximum percentage practicable of vehicles that the National Academy of Sciences and the National Research Council determines can be fueled by hydrogen by 2020;

(B) determine the amount of Federal and private funding required to meet the goal established under subparagraph (A);

(C) determine what actions are required to meet the goal established under subparagraph (A); and

(D) examine the need for expanded and enhanced Federal research and development programs, changes in regulations, grant programs, partnerships between the Federal Government and industry, and public information initiatives, partnerships between the Federal Government and industry, and public information initiatives; and Federal and State tax incentives to meet the goal established under subparagraph (A); and

(E) consider whether other technologies would be more quickly implemented than fuel cell technologies to achieve significant reductions in carbon dioxide emissions;

(F) take into account any reports relating to fuel cell technologies and hydrogen-fueled vehicles, including—

(i) the report prepared by the National Academy of Sciences and the National Research Council in 2004 entitled ‘‘Hydrogen Economy: Opportunities, Costs, Barriers, and R&D Needs’’;

(ii) the report prepared by the National Academy of Sciences and the National Research Council in 2001 entitled ‘‘Hydrogen and Fuel Cells: A Path Forward’’;

(iii) a study prepared by the National Academy of Sciences and the National Research Council in 2001 entitled ‘‘The Hydrogen Future’’;

(iv) the report submitted by the Energy Projections and Analysis Office, to demonstrate the viability of a new hydrogen removal technology on commercial operations, where such generation is located in a highly populated urban area, and where the technology has undergone a successful field test sanctioned by the Department, and has been demonstrated to have no adverse effect on the performance or efficiency of existing emissions control equipment or other plant commercial operations. The expenditures under this section shall be shared in accordance with section 1002.

SA 928. Mr. LEVIN (for himself and Mr. ALEXANDER) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end add the following:

TITLE XVII.—TAX INCENTIVES FOR ALTERNATIVE MOTOR VEHICLE TECHNOLOGIES AND FUELS

SECTION 1700. AMENDMENT OF 1986 CODE

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A.—Tax Incentives

Section 1701. Alternative Motor Vehicle Credit

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following:

‘‘SEC. 308. ALTERNATIVE MOTOR VEHICLE CREDIT.’’

(b) Allowance of Credit.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

(1) the new qualified fuel cell motor vehicle credit determined under subsection (b),

(2) the new advanced technology motor vehicle credit determined under subsection (c),

(3) the new qualified hybrid motor vehicle credit determined under subsection (d), and

(4) the new alternative fuel motor vehicle credit determined under subsection (e).

‘‘(b) New Qualified Fuel Cell Motor Vehicle Credit.—

(1) In General.—For purposes of subsection (a), the new qualified fuel cell motor vehicle credit determined under this subsection with respect to a new qualified fuel cell motor vehicle placed in service by the taxpayer during the taxable year—

(A) $8,000, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds;

(B) $10,000, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds;

(C) $12,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds; and

(D) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

(2) Increase for fuel efficiency.—

(A) In General.—The amount determined under paragraph (1) with respect to a new qualified fuel cell motor vehicle which is a passenger automobile or light truck shall be increased by—

(i) $1,000, if such vehicle achieves at least 150 percent but less than 175 percent of the 2002 model year city fuel economy,

(ii) $1,500, if such vehicle achieves at least 175 percent but less than 200 percent of the 2002 model year city fuel economy,

(iii) $2,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;

(iv) $2,500, if such vehicle achieves at least 225 percent but less than 250 percent of the 2002 model year city fuel economy;

(v) $3,000, if such vehicle achieves at least 250 percent but less than 275 percent of the 2002 model year city fuel economy;

(vi) $3,500, if such vehicle achieves at least 275 percent but less than 300 percent of the 2002 model year city fuel economy;

(vii) $4,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;

(B) 2002 Model Year City Fuel Economy.—For purposes of subparagraph (A), the 2002...
model year city fuel economy with respect to a vehicle shall be determined in accordance with the following tables:

<table>
<thead>
<tr>
<th>Vehicle weight class:</th>
<th>City fuel economy:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,500 or 1,750 lbs</td>
<td>45.2 mpg</td>
</tr>
<tr>
<td>2,000 lbs</td>
<td>39.6 mpg</td>
</tr>
<tr>
<td>2,250 lbs</td>
<td>35.2 mpg</td>
</tr>
<tr>
<td>2,500 lbs</td>
<td>31.7 mpg</td>
</tr>
<tr>
<td>2,750 lbs</td>
<td>28.8 mpg</td>
</tr>
<tr>
<td>3,000 lbs</td>
<td>26.4 mpg</td>
</tr>
<tr>
<td>3,500 lbs</td>
<td>22.6 mpg</td>
</tr>
<tr>
<td>4,000 lbs</td>
<td>19.8 mpg</td>
</tr>
<tr>
<td>4,500 lbs</td>
<td>17.6 mpg</td>
</tr>
<tr>
<td>5,000 lbs</td>
<td>15.9 mpg</td>
</tr>
<tr>
<td>5,500 lbs</td>
<td>14.4 mpg</td>
</tr>
<tr>
<td>6,000 lbs</td>
<td>13.2 mpg</td>
</tr>
<tr>
<td>6,500 lbs</td>
<td>12.2 mpg</td>
</tr>
<tr>
<td>7,000 to 8,500 lbs</td>
<td>11.3 mpg</td>
</tr>
</tbody>
</table>

(ii) In the case of a light truck:

<table>
<thead>
<tr>
<th>Vehicle inertia weight class:</th>
<th>City fuel economy:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,500 lbs</td>
<td>29.0 mpg</td>
</tr>
<tr>
<td>2,750 lbs</td>
<td>26.8 mpg</td>
</tr>
<tr>
<td>3,000 lbs</td>
<td>24.9 mpg</td>
</tr>
<tr>
<td>3,500 lbs</td>
<td>21.8 mpg</td>
</tr>
<tr>
<td>4,000 lbs</td>
<td>19.4 mpg</td>
</tr>
<tr>
<td>4,500 lbs</td>
<td>17.6 mpg</td>
</tr>
<tr>
<td>5,000 lbs</td>
<td>16.1 mpg</td>
</tr>
<tr>
<td>5,500 lbs</td>
<td>14.8 mpg</td>
</tr>
<tr>
<td>6,000 lbs</td>
<td>13.7 mpg</td>
</tr>
<tr>
<td>6,500 lbs</td>
<td>12.8 mpg</td>
</tr>
<tr>
<td>7,000 to 8,500 lbs</td>
<td>12.1 mpg</td>
</tr>
</tbody>
</table>

(C) Vehicle inertia weight class.—For purposes of subsection (a), the term ‘vehicle inertia weight class’ means a motor vehicle—

(1) ‘A’ which is propelled by power derived from 1 or more cells which convert chemical energy directly into electricity by combining oxygen with hydrogen fuel which is stored on board the vehicle in any form and may or may not require reformulation prior to use;

(2) ‘B’ which, in the case of a passenger automobile or light truck, has received or after the date of the enactment of this section, a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle;

(3) ‘C’ which has an internal combustion engine which—

(i) is designed to operate primarily using more air than is necessary for complete combustion of the fuel,

(ii) incorporates direct injection,

(2) which would be determined under paragraph (2) of subsection (d);

(3) new qualified hybrid motor vehicle placed in service by the taxpayer and not for resale, and

(4) which would be determined under subsection (a) or (b) with respect to a new hybrid motor vehicle placed in service by the taxpayer and not for resale, and

(5) which is placed in service after the date of the enactment of this section in accordance with the following table:

<table>
<thead>
<tr>
<th>Vehicle weight class:</th>
<th>City fuel economy:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,500 lbs</td>
<td>29.0 mpg</td>
</tr>
<tr>
<td>2,750 lbs</td>
<td>26.8 mpg</td>
</tr>
<tr>
<td>3,000 lbs</td>
<td>24.9 mpg</td>
</tr>
<tr>
<td>3,500 lbs</td>
<td>21.8 mpg</td>
</tr>
<tr>
<td>4,000 lbs</td>
<td>19.4 mpg</td>
</tr>
<tr>
<td>4,500 lbs</td>
<td>17.6 mpg</td>
</tr>
<tr>
<td>5,000 lbs</td>
<td>16.1 mpg</td>
</tr>
<tr>
<td>5,500 lbs</td>
<td>14.8 mpg</td>
</tr>
<tr>
<td>6,000 lbs</td>
<td>13.7 mpg</td>
</tr>
<tr>
<td>6,500 lbs</td>
<td>12.8 mpg</td>
</tr>
<tr>
<td>7,000 to 8,500 lbs</td>
<td>12.1 mpg</td>
</tr>
</tbody>
</table>

(iii) achieves at least 125 percent of the 2002 model year city fuel economy,

(iv) for 2004 and later model vehicles, has received a certificate that such vehicle meets or exceeds—

(1) which is made by a manufacturer.

(2) LIKE VEHICLE.—The term ‘like vehicle’ for a new qualified advanced lean burn technology motor vehicle derived from a conventional production vehicle produced in the same model year means a model that is equivalent in the following areas:

(A) Body style (2-door or 4-door),

(B) Transmission (automatic or manual),

(C) Acceleration performance (0.05 second).

(D) Drivetrain (2-wheel drive or 4-wheel drive).

(E) Certification by the Administrator of the Environmental Protection Agency.

(F) LIFETIME FUEL SAVINGS.—For purposes of this subsection, the term ‘lifetime fuel savings’ means, in the case of any new advanced lean burn technology motor vehicle, an amount equal to the excess (if any) of—

(A) 120,000 divided by the 2002 model year city fuel economy for the vehicle inertia weight class, over

(B) 120,000 divided by the city fuel economy for such vehicle.

(G) NEW QUALIFIED HYBRID MOTOR VEHICLE CREDIT.—

(1) In general.—For purposes of subsection (a), the new qualified hybrid motor vehicle credit determined under this subsection shall be determined—

(A) FUEL ECONOMY.—The amount which would be determined under subsection (b) with respect to a new hybrid motor vehicle, and

(B) CONSERVATION CREDIT.—The amount determined under subparagraph (A) with respect to a new advanced lean burn technology motor vehicle shall be increased by the conservation credit amount determined in accordance with the following table:

<table>
<thead>
<tr>
<th>In the case of a vehicle which achieves the conservation credit amount is—</th>
<th>Lifetime fuel savings (expressed in gallons of gasoline) of—</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifetime fuel savings (expressed in gallons of gasoline)</td>
<td>Lifetime fuel savings (expressed in gallons of gasoline)</td>
</tr>
<tr>
<td>1,200 but less than 1,800</td>
<td>$700</td>
</tr>
<tr>
<td>1,800 but less than 2,400</td>
<td>$1,200</td>
</tr>
<tr>
<td>2,400 but less than 3,000</td>
<td>$1,700</td>
</tr>
<tr>
<td>3,000</td>
<td>$2,200</td>
</tr>
</tbody>
</table>

(2) CREDIT AMOUNT.—(A) FUEL ECONOMY.—The credit amount determined under paragraph (2) of subsection (d) for a new qualified hybrid motor vehicle is—

(B) OPTION TO USE LIKE VEHICLE.—At the option of the vehicle manufacturer, the increase for fuel efficiency and conservation credit may be calculated by comparing the new qualified advanced lean burn technology motor vehicle to a like vehicle.

(C) NEW ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE.—For purposes of this subsection, the term ‘new advanced lean burn technology motor vehicle’ means a passenger automobile or light truck—

(i) which would be determined under subsection (a) or (b) with respect to a new hybrid motor vehicle placed in service by the taxpayer and not for resale, and

(ii) which is placed in service after the date of the enactment of this section.

(D) which has an internal combustion engine which—

(i) is designed to operate primarily using more air than is necessary for complete combustion of the fuel,

(ii) incorporates direct injection,
placed in service by the taxpayer during the taxable year.

"(B) INCREMENTAL COST.—For purposes of this paragraph, the incremental cost of any heavy-duty hybrid motor vehicle is equal to the amount of the excess of the manufacturer's suggested retail price for such vehicle over such price for a comparable gasoline or diesel fuel motor vehicle of the same model, to the extent such amount does not exceed—

"(i) $7,500, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds, and

"(ii) $15,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

"(iii) $25,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

"(C) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Applicable Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least 30 but less than 40 percent</td>
<td>20 percent</td>
</tr>
<tr>
<td>At least 40 but less than 50 percent</td>
<td>25 percent</td>
</tr>
<tr>
<td>At least 50 percent</td>
<td>30 percent</td>
</tr>
</tbody>
</table>

"(D) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE.—

"(1) ALLOWANCE OF CREDIT.—Except as provided in paragraph (2), the credit against tax for any new qualified alternative fuel motor vehicle is—

"(A) $500, if such vehicle—

"(i) has received a certificate of conformity under the CLEAN AIR ACT for that make and model year, and

"(ii) has a maximum available power of at least 5 percent,

"(iii) which, in the case of a heavy-duty hybrid motor vehicle, has a gross vehicle weight rating of more than 8,500 but not more than 14,000 pounds, has a maximum available power of at least 10 percent, and

"(iv) has a gross vehicle weight rating of more than 14,000 pounds, has a maximum available power of at least 15 percent,

"(B) $4,000, if such vehicle—

"(i) has a maximum available power of at least 20 percent,

"(ii) which is acquired for use or lease by the taxpayer and not for resale, and

"(iii) which is made by a manufacturer,

"(B) CONSUMABLE FUEL.—For purposes of subparagraph (A)(i)(II), the term 'consumable fuel' means any solid, liquid, or gaseous matter which releases energy when consumed by an auxiliary power unit.

"(C) MAXIMUM AVAILABLE POWER.—

"(1) PASSENGER AUTOMOBILE, MEDIUM DUTY PASSENGER VEHICLE, OR LIGHT TRUCK.—For purposes of subparagraph (A)(ii), the term 'maximum available power' means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by such maximum power and the SAE net power of the vehicle, except that if such storage system is the sole means by which the vehicle can be driven, the total traction power is the peak power of such storage system.

"(2) HEAVY DUTY HYBRID MOTOR VEHICLE.—

"(a) In general.—For purposes of this section, the term 'hybrid motor vehicle' means a motor vehicle which is a hybrid motor vehicle as defined by the Department of Transportation pursuant to section 202(i) of the Clean Air Act for a vehicle weight rating of not more than 8,500 pounds.

"(b) Applicable percentage.—For purposes of this subsection, the incremental cost of any new qualified alternative fuel motor vehicle credit determined under this subsection is an amount equal to the applicable percentage of the incremental cost of any new qualified alternative fuel motor vehicle placed in service by the taxpayer during the taxable year.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage with respect to any new qualified alternative fuel motor vehicle is—

"(A) 50 percent, plus

"(B) 30 percent, if such vehicle—

"(i) has received a certificate of conformity under the Clean Air Act and meets or exceeds the most stringent standard available for certification under the Clean Air Act for that make and model year, and

"(ii) has a maximum available power of at least 5 percent,

"(iii) which, in the case of a heavy-duty hybrid motor vehicle, has a gross vehicle weight rating of more than 8,500 but not more than 14,000 pounds, has a maximum available power of at least 10 percent, and

"(iv) has a gross vehicle weight rating of more than 14,000 pounds, has a maximum available power of at least 15 percent,

"(A) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

"(B) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE.—For purposes of this subsection—

"(1) IN GENERAL.—The term 'new qualified alternative fuel motor vehicle' means any motor vehicle which—

"(i) which is only capable of operating on an alternative fuel,

"(ii) the original use of which commences with the taxpayer,

"(iii) which is acquired by the taxpayer for use or lease, and

"(iv) which is made by a manufacturer.

"(B) ALTERNATIVE FUEL.—The term 'alternative fuel' means compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, and any liquid at least 86 percent of the volume of which consists of methanol.

"(3) CREDIT FOR MIXED-FUEL VEHICLE.—

"(A) IN GENERAL.—In the case of a mixed-fuel vehicle placed in service by the taxpayer during the taxable year, the credit determined under this subsection is an amount equal to—

"(i) in the case of a 75/25 mixed-fuel vehicle, 70 percent of the credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle, and

"(ii) in the case of a 90/10 mixed-fuel vehicle, credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle.

"(B) MIXED-FUEL VEHICLE.—For purposes of this subsection, the term 'mixed-fuel vehicle' means any motor vehicle described in subparagraph (C) or (D) of paragraph (3), which—

"(i) is certified by the manufacturer as being able to perform efficiently in normal operation on a combination of an alternative fuel and a petroleum-based fuel,

"(ii) either—

"(I) has received a certificate of conformity under the Clean Air Act, or

"(II) has received an order certifying the vehicle as meeting the same requirements as vehicles which may be sold or leased in California and meets or exceeds the low emission vehicle standard under section 85999.94 of title 40, Code of Federal Regulations, for that make and model year vehicle,

"(iii) the original use of which commences with the taxpayer,

"(iv) which is acquired by the taxpayer for use or lease, but not for resale, and

"(v) which is made by a manufacturer,

"(C) 75/25 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term '75/25 mixed-fuel vehicle' means a mixed-fuel vehicle which operates using at least 75 percent alternative fuel and not more than 25 percent petroleum-based fuel.

"(D) 90/10 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term '90/10 mixed-fuel vehicle' means a mixed-fuel vehicle which operates using at least 90 percent alternative fuel and not more than 10 percent petroleum-based fuel.

"(E) LIMITATION ON NUMBER OF NEW QUALIFIED HYBRID AND ADVANCED LEAN-BURN TECHNOLOGY VEHICLES ELIGIBLE FOR CREDIT.—

"(1) IN GENERAL.—In the case of a qualified vehicle sold during the phaseout period, only the applicable percentage of the credit otherwise allowable under subsection (c) or (d) shall be allowed.

"(2) PHASEOUT PERIOD.—For purposes of this subsection, the phaseout period is the period beginning with the second calendar quarter following the calendar quarter which includes the first date on which the number of qualified vehicles manufactured by the
manufacturer of the vehicle referred to in paragraph (1) sold for use in the United States after the date of the enactment of this section is at least 80,000.

(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage—

(A) 50 percent for the first 2 calendar quarters of the phaseout period,

(B) 25 percent for the 3rd and 4th calendar quarters of the phaseout period, and

(C) 0 percent for each calendar quarter thereafter.

(3) CONTROLLED GROUPS.—

(A) IN GENERAL.—For purposes of this subsection, the term ‘controlled group’ means—

(i) any member of the same controlled group as the taxpayer that placed the vehicle in service in the taxable year, and

(ii) any member of the same controlled group as the taxpayer that placed the vehicle in service in the taxable year with respect to which such vehicle is treated as a single entity under subsection (a) (or (b) of section 52 or subsection (m) or (o) of section 411 shall be treated as a single manufacturer.

(B) EXCLUSION OF FOREIGN CORPORATIONS.—For purposes of subparagraph (A), in applying subsections (a) and (b) of section 52 to this section, section 1563 shall be applied without regard to subsection (b)(2)(C) thereof.

(4) QUALIFIED VEHICLE.—For purposes of this subsection, the term ‘qualified vehicle’ means a vehicle with respect to which an eligible credit applies.

(5) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(A) MOTOR VEHICLE.—The term ‘motor vehicle’ has the meaning given such term by paragraphs (1) and (2) of section 502(c).

(B) ECONOMIC EFFICIENCY.—The city fuel economy with respect to any vehicle shall be measured in a manner which is substantially similar to the manner city fuel economy is measured in accordance with procedures under part 600 of subchapter Q of chapter I of title 40, Code of Federal Regulations, as in effect on the date of the enactment of this Act.

(C) OTHER TERMS.—The terms ‘automobile’, ‘passenger automobile’, ‘medium duty passenger vehicle’, ‘light truck’, and ‘manufactured home’ have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

(6) REDUCTION IN BASIS.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed (determined without regard to subsection (g)).

(7) PROPERTY USED OUTSIDE UNITED STATES.—In the case of any property purchased after December 31, 2009, the qualified alternative fuel vehicle credit shall be allowable under subsection (a) with respect to any property referred to in section 50(b)(1) or with respect to the portion of the cost of any property taken into account under section 179.

(8) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of a credit under section (a) with respect to any property which ceases to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle).

(9) ELECTION TO NOT TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.

(10) CARRYBACK AND CARRYFORWARD ALLOWANCES.—

(A) IN GENERAL.—If the credit allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (g) for such taxable year (in this paragraph referred to as the ‘unused credit year’), such excess shall be a credit carryback to each of the 3 taxable years preceding the unused credit year and a credit carryforward to each of the 20 taxable years following the unused credit year, except that no excess may be carried to a taxable year beginning before the date of the enactment of this Act that is not subject to subsection (a).

(B) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryback and credit carryforward under subparagraph (A).

(11) INTERACTION WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Unless otherwise provided in this section, a motor vehicle credit under this section shall not apply to any credit for a credit under section 41 (or with respect to any other provision of this Act).

(12) STICKER INFORMATION REQUIRED AT RETAIL SALE.—

(A) IN GENERAL.—The Secretary of the Treasury shall issue regulations under which each qualified vehicle sold at retail shall display a notice—

(i) that such vehicle is a qualified vehicle, and

(ii) that the buyer may not benefit from the credit allowed under section 30B of the Internal Revenue Code of 1986 if such buyer has sufficient tax liability.

(13) QUALIFIED VEHICLE.—For purposes of paragraph (1), the term ‘qualified vehicle’ means a vehicle with respect to which a credit is allowed under section 30B of the Internal Revenue Code of 1986.

(C) NONAPPLICATION OF SECTION.—Notwithstanding any other provision of this Act, the provisions of, and amendments made by, section 1531 of this Act shall be null and void.

SEC. 30C. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the cost of any qualified alternative fuel vehicle refueling property placed in service by the taxpayer during the taxable year.

(b) LIMITATION.—The credit allowed under subsection (a) with respect to any alternative fuel vehicle refueling property shall not exceed—

(1) $50,000 in the case of a property subject to an allowance for depreciation, and

(2) $2,000 in any other case.

(c) QUALIFIED ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.—For purposes of this section—

(1) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ has the meaning given to such term by section 179A(d), but with only respect to any fuel at least 85 percent of the volume of which consists of gasoline, kerosene, biodiesel, deurene, renewable diesel, alternative fuel, alternative fuel vehicle refueling property, qualified alternative fuel vehicle refueling property, alternative fuel vehicle refueling property, and hydrogen.

(2) REFUELING PROPERTY.—In the case of a qualified alternative fuel vehicle refueling property, such term includes—

(A) a qualified alternative fuel vehicle refueling property—

(i) that is installed at a refueling station, and

(ii) that is used to refuel qualified alternative fuel vehicles, and

(B) an alternative fuel vehicle refueling property—

(i) that is installed at a refueling station, and

(ii) that is used to refuel qualified alternative fuel vehicles.
section 121) of the taxpayer, any property installed on property which is carryforward for each of the 20 taxable years such excess shall be allowed as a credit the cost of such property taken into account property shall be reduced by the portion of the excess to the extent provided in section 30C(a).

(2) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryforward under paragraph (1).

(3) PROPERTY USED BY TAX-EXEMPT ENTITY.—In the case of any qualified alternative fuel vehicle refueling property the use of which is described in paragraph (3) or (4) of section 30C(f)(5), if such property is not subject to a lease, the person who sold such property to the person or entity using such property shall be treated as the taxpayer that placed such property into service.

(b) MODIFICATIONS TO EXTENSION OF DEDUCTION FOR CERTAIN REFUELING PROPERTY.—(1) the regular tax for the taxable year reduced by the sum of the amounts of the credits allowable under subsection (a) for the taxable years such excess shall be allowed as a credit against the tax imposed by paragraph (a) of section 30C(c) for the taxable year.

(c) INCENTIVE FOR PRODUCTION OF HYDROGEN AT QUALIFIED CLEAN-FUEL VEHICLE REFueling PROPERTY.—Section 179A(d) (defining qualified clean-fuel vehicle refueling property) is amended by, by adding at the end the following new flush sentence: "In the case of clean-burning fuel which is hydrogen produced from another clean-burning fuel, paragraph (2) shall be applied by substituting ‘production, storage, or dispensing’ for ‘storage or dispensing’ both places it appears."

(d) CONFORMING AMENDMENTS.—(1) Section 1016(a), as amended by this Act, is amended by striking "and" at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting ".") and by adding at the end the following new paragraph:

"(38) to the extent provided in section 30C(b)."

(2) Section 55(c)(2), as amended by this Act, is amended by inserting "30C(e)," after "30B(e),"

(3) Section 6501(m) is amended by inserting "30C(f)(5)," after "30B(f)(9),"

(4) The table of sections for part IV of subchapter A of chapter 1, as amended by this Act, is amended by adding to the item relating to section 30B the following new item:

"Sec. 30C. Clean-fuel vehicle refueling property deduction."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

(1) the regular tax liability (as defined in paragraph (b) of section 30C(e)) for such taxable year, plus (B) for engineering integration of such vehicle to having such vehicle meet all of the non-eligible components, only the qualified investment of an eligible taxpayer for such taxable year as does not exceed $35,000,000.

(f) QUALIFIED INVESTMENT.—For purposes of this section—

(1) IN GENERAL.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year—

(A) for re-equip or expand any manufacturing capability of the eligible taxpayer to produce advanced technology motor vehicles or to produce eligible components,

(B) for engineering integration of such vehicles and components as described in subsection (d), and

(C) for research and development related to advanced technology motor vehicles and eligible components shall be taken into account.

(2) ATTRIBUTION RULES.—In the event a facility of the eligible taxpayer produces both advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

SEC. 1703. ADVANCED TECHNOLOGY MOTOR VEHICLE MANUFACTURING CREDIT. (a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.), as amended by this Act, is amended by adding at the end the following new section:

"SEC. 30D. ADVANCED TECHNOLOGY MOTOR VEHICLE MANUFACTURING CREDIT."

(1) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 80 percent of the qualified investment of an eligible taxpayer for such taxable year as does not exceed $35,000,000.

(2) QUALIFIED INVESTMENT.—For purposes of this section—

(1) IN GENERAL.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year—

(A) for re-equip or expand any manufacturing capability of the eligible taxpayer to produce advanced technology motor vehicles or to produce eligible components,

(B) for engineering integration of such vehicles and components as described in subsection (d), and

(C) for research and development related to advanced technology motor vehicles and eligible components shall be taken into account.

(2) ATTRIBUTION RULES.—In the event a facility of the eligible taxpayer produces both advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

(3) ADVANCED TECHNOLOGY MOTOR VEHICLES AND ELIGIBLE COMPONENTS.—For purposes of this section—

(1) ADVANCED TECHNOLOGY MOTOR VEHICLE.—"The term ‘advanced technology motor vehicle’ means—

(A) any new advanced lean burn technology motor vehicle as defined in section 30B(c)(3), or

(B) any new qualified hybrid motor vehicle as defined in section 30B(a) and determined without regard to any gross vehicle weight rating.

(2) ELIGIBLE COMPONENTS.—The term ‘eligible component’ means any component inherent to any advanced technology motor vehicle, including—

(A) with respect to any diesel or electric motor vehicle—

(i) electric motor or generator,

(ii) power split device,

(iii) power control unit,

(iv) power conversion unit,

(v) integrated starter generator, or

(vi) battery,

(B) with respect to any new advanced lean burn technology motor vehicle—

(i) diesel engine,

(ii) turbocharger,

(iii) fuel injection system, or

(iv) after-treatment system, such as a particle filter or NOX absorber, and

(D) with respect to any advanced technology motor vehicle motor vehicle submitted for approval by the Secretary.

(4) ENGINEERING INTEGRATION COSTS.—For purposes of subsection (b)(1)(B) costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks relating to

(1) establishing functional, structural, and performance requirements for component and subsystems to meet overall vehicle objectives for a specific vehicle application,

(2) designing interfaces for components and subsystems with mating systems within a specific vehicle application,

(3) designing cost effective, efficient, and reliable manufacturing processes to produce components and subsystems for a specific vehicle application, and

(4) validating functionality and performance of components and subsystems for a specific vehicle application.

(e) ELIGIBLE TAXPAYER.—For purposes of this section, the term ‘eligible taxpayer’ means any taxpayer if more than 50 percent of its gross receipts for the taxable year is derived from the manufacturing of motor vehicles or component parts for motor vehicles.

(f) LIMITATION BASED ON AMOUNT OF TAX.—The credit allowed under subsection (a) for the taxable year shall not exceed the excess of—

(1) the sum of—

(A) the regular tax liability (as defined in section 30B(e)) for such taxable year, plus the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

(2) NO DOUBLE BENEFIT.—(1) COORDINATION WITH OTHER DEDUCTIONS AND CREDITS.—Except as provided in paragraph (2), the amount of any deduction or other credit allowable under this chapter for
any cost taken into account in determining the amount of the credit under subsection (a) shall be reduced by the amount of such credit attributable to such cost.

(2) COSTS TAKEN INTO ACCOUNT IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—

Any amounts described in subsection (b)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year shall not be taken into account for purposes of determining the credit under section 41 for such taxable year.

(3) BUSINESS CARRIERS ALLOWED.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (b)(1)(C) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowance for depreciation) shall be allowed as a credit against the tax imposed by law under rules similar to the rules of section 39.

(4) SPECIAL RULES.—For purposes of this section and paragraphs (4) and (5) of section 179(a) and paragraph (1) and (2) of section 41(f) shall apply in the case of any property if the taxpayer elects not to carry out the provisions of this section.

(5) CIVIL PENALTIES.

(a) IN GENERAL.—The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

(b) CONFORMING AMENDMENTS.—(i) Section 30E(b), as amended by this Act, is amended by striking “and” and adding “or” after “in paragraph (3),”.

(ii) Section 30E(c), as amended by this Act, is amended by inserting “or” after “spends,”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 2003.

Subtitle B—Revenue Offset Provisions

PART I—REDUCTION IN EXTENSION OF RENEWABLE ELECTRICITY PRODUCTION CREDIT


Paragraphs (1), (2), (3), (5), (6), (7), and (9) of section 45 of the Internal Revenue Code of 1986, as amended by title XV, are amended by striking “2005” each place it appears and inserting “2007”.

PART II—GENERAL PROVISIONS

SEC. 1711. TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT INSTRUMENT.

(a) IN GENERAL.—Section 1257(d) (relating to regulation authority) is amended—

(1) by striking “The Secretary” and inserting the following:

‘‘(1) IN GENERAL.—The Secretary’’; and

(2) by adding at the end the following new paragraph:

‘‘(2) TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT.—

(A) IN GENERAL.—In the case of a debt instrument—

(i) is convertible into stock of the issuing corporation, into stock or debt of a related party (within the meaning of section 7701(b) or 7701(c))—

(ii) for any other property in an amount equal to the approximate value of such stock or debt, and

(iii) provides for contingent payments, any regulations which require original issue discount to be taken into account for purposes of determining the comparable yield of a noncontingent fixed-rate debt instrument shall be applied as if the regulations require that such comparable yield be determined for reference to a noncontingent fixed-rate debt instrument which is convertible into stock.

(B) SPECIAL RULE.—For purposes of subparagraph (A), the comparable yield shall be determined without taking into account the yield resulting from the conversion of a debt instrument into property, stock, or debt.

(c) REDUCTION IN EXTENSION OF PROVISIONS.

The Secretary shall prescribe (and periodically amend) a list of purposes for which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6622(d)(2)(B)(ii)(II).

(d) REDUCTION IN PENALTIES.

The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the Federal tax laws.

(e) PENALTIES IN ADDITION TO OTHER PENALTIES.

The penalties imposed by this section shall be in addition to any other penalty provided by law.

(f) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

SEC. 1730. PENALTIES IN ADDITION TO OTHER PENALTIES.

(f) PENALTIES IN ADDITION TO OTHER PENALTIES.

The Secretary shall prescribe (and periodically amend) a list of purposes for which the Secretary has identified as being frivolous for purposes of this section.

(g) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(h) PENALTIES IN ADDITION TO OTHER PENALTIES.

The Secretary shall prescribe (and periodically amend) a list of purposes for which the Secretary has identified as being frivolous for purposes of this section.

(i) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(j) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(k) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(l) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(m) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(n) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(o) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(p) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(q) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(r) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(s) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(t) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(u) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(v) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(w) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(x) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(y) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.

(z) PENALTIES IN ADDITION TO OTHER PENALTIES.

The term ‘‘frivolous’’ as used in this section shall be disregarded.
Congress on the implementation of this section during the preceding year, including statistics on the number of taxpayers affected by such implementation and the amount of interest, penalties, and other such taxes asserted, waived, and assessed during such preceding year.

SEC. 1714. DOUBLING OF CERTAIN PENALTIES, FINES, AND INTEREST ON UNDERPAYMENTS RELATED TO CERTAIN OFFSHORE FINANCIAL ARRANGEMENTS.

(a) Determination of Penalty.—(1) In general.—
   (A) In the case of any other provision of law, in the case of an applicable taxpayer—
      (i) the determination as to whether any interest, penalties, and other such taxes are imposed with respect to any arrangement described in paragraph (2), or to any underpayment of Federal income tax attributable to any such arrangement, shall be made without regard to the rules of subsections (b), (c), and (d) of section 6664 of the Internal Revenue Code of 1986, and
      (B) if any such interest or penalty is imposed, the amount of such interest or penalty shall be equal to twice that determined without regard to this section.

(b) Applicable Taxpayer.—For purposes of this subsection—
   (A) in general.—The term ‘‘applicable taxpayer’’ means a taxpayer which—
      (i) has underreported its United States income tax liability with respect to any item which directly or indirectly involves—
         (I) any financial transaction which in any manner relies on the use of offshore payment mechanisms (including credit, debit, or charge cards) issued by banks or other entities in foreign countries,
         (II) any offshore financial arrangement (including any arrangement with foreign banks, financial institutions, corporations, partnerships, trusts, or other entities), and
         (III) has not signed a closing agreement pursuant to the Voluntary Offshore Compliance Initiative established by the Department of the Treasury in accordance with section 9027 of title 31, United States Code, or voluntarily disclosed its participation in such arrangement by notifying the Internal Revenue Service of such arrangement prior to the date of the enactment of this Act.
   (B) Authority to waive.—The Secretary of the Treasury or the Secretary’s delegate may waive the application of paragraph (1) to any taxpayer if the Secretary or the Secretary’s delegate determines that the use of such offshore payment mechanisms is incidental to the arrangement and, in addition, in the case of a trade or business, such use is conducted in the ordinary course of the trade or business of the taxpayer.
   (C) Method of assessment.—For purposes of subparagraph (A)(i), an item shall be treated as an issue raised during an examination if the individual examining the return—
      (i) communicates to the taxpayer knowledge about the specific item, or
      (ii) has made a request to the taxpayer for information and the taxpayer could not make a complete response to that request without giving the examiner knowledge of the specific item.
   (2) Definitions and Rules.—For purposes of this section—
      (A) Applicable Penalty.—The term ‘‘applicable penalty’’ means any penalty, addition to tax, interest, or fine imposed under chapter 68 of the Internal Revenue Code of 1986.
      (B) Fees and Expenses.—The Secretary of the Treasury may retain and use an amount equal to such portion of the additional interest, penalties, additions to tax, and fines collected under this section to be used for enforcement and collection activities of the Internal Revenue Service. The Secretary shall keep adequate records regarding amounts so retained and used. The amount credited as paid by any taxpayer shall be determined at the end of the following flush sentence.

SEC. 1715. MODIFICATION OF INTERACTION BETWEEN SUBPART F AND PASSIVE FOREIGN INVESTMENT COMPANY RULES.

(a) Limitation on Exception from PFIC Rules for United States Shareholders of Controlled Foreign Corporations.—Paragraph (2) of section 1295(f) (relating to passive foreign investment company) is amended by adding at the end the following flush sentence:
   “Such term shall not include any period if the earnings of a controlled foreign corporation for such period would result in an increase in the claim of the United States or any foreign country for taxes under section 951(a)(1)(A) or (1)(B).”.

(b) Effective Date.—The amendment made by this section shall apply to taxable years of controlled foreign corporations beginning after March 2, 2005, and to taxable years of United States shareholders with which such taxable years of controlled foreign corporations end.

SEC. 1716. DECLARATION BY CHIEF EXECUTIVE OFFICER RELATING TO FEDERAL ANNUAL CORPORATE INCOME TAX RETURN.

(a) In General.—The Federal annual tax return of a corporation with respect to income shall include a declaration signed by the chief executive officer of such corporation that, to the best of such officer’s knowledge, the corporation made a complete response to that request, and has given the examiner knowledge of the specific item.

(b) Effective Date.—This section shall apply to Federal annual corporate income tax returns for taxable years beginning after the date of enactment of this Act.

SEC. 1717. TAX AUDIT REGULATIONS ON FOREIGN TAX CREDIT.

(a) In General.—Section 901 (relating to taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (m) as subsection (n) and, by inserting after subsection (l) the following new subsection:
   (n) Regulations.—The Secretary may prescribe regulations disallowing a credit under subsection (a) for all or any portion of any foreign tax, or allocating a foreign tax or more precisely the foreign tax is imposed on any person in respect of income of another person or in other cases involving the inappropriate allocation of the foreign tax from the related foreign income.

(b) Effective Date.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 1718. WHISTLEBLOWER REFORMS.

(a) In General.—Section 7262 (relating to expenses of detection of underpayments and fraud, etc.) is amended—
(1) by striking "The Secretary" and inserting "(a) IN GENERAL.—The Secretary", and (2) by striking "and at the end of paragraph (1) and inserting "or".

(b) Subject to the rules under section 7461(b)(1). If the Secretary proceeds with any administrative or judicial action described in subsection (a) based on information brought to the Secretary's attention by an individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the court judgment (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement with respect to such action. The determination of the amount of such award by the Whistleblower Office shall depend upon the extent to which the individual substantially contributed to such action.

(2) AWARD IN CASE OF LESS SUBSTANTIAL CONTRIBUTION.—

(A) IN GENERAL.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations of fraud or noncompliance by the individual described in paragraph (1) resulting from a judicial or administrative hearing, from a governmental report, hearing, or investigation, or from the news media, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement with respect to such action. The Whistleblower Office may deny any award.

(B) NONAPPLICATION OF PARAGRAPH WHERE INDIVIDUAL IS ORIGINAL SOURCE OF INFORMATION.—Paragraph (a) shall not apply if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in paragraph (1).

(3) REDUCTION IN OR DENIAL OF AWARD.—If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is based primarily on information provided by an individual or legal representative whose assistance was solicited by or exchanged for the individual described in paragraph (1) in relation to the matter described in paragraph (1), the Whistleblower Office may reduce or deny the award.

(4) APPEAL OF AWARD DETERMINATION.—Any determination made under paragraph (1), (2), or (3) shall be subject to the procedures described in such paragraph of a petition for review with the Tax Court under rules similar to the rules under section 7463 (without regard to the amount in dispute) and such review shall be subject to the rules under section 7461(b)(1).

(5) APPLICATION OF THIS SUBSECTION.—This subsection shall apply with respect to any action.

(A) against any taxpayer, but in the case of any individual, only if such individual's gross income exceeds $200,000 for any taxable year to which such subsection applies, and (B) if the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $30,000.

(B) AWARD TO WHISTLEBLOWERS.—

(a) IN GENERAL.—If the Secretary proceeds with any administrative or judicial action described in subsection (a) based on information brought to the Secretary's attention by an individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the court judgment (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement with respect to such action. The determination of the amount of such award by the Whistleblower Office shall depend upon the extent to which the individual substantially contributed to such action.

(b) AWARD NOT SUBJECT TO INDIVIDUAL ALTERNATIVE MINIMUM TAX.—No award received under this subsection shall be included in gross income for determining alternative minimum taxable income.

(c) WHISTLEBLOWER OFFICE.—

(1) IN GENERAL.—There is established in the Internal Revenue Service an office to be known as the Whistleblower Office.

(A) at all times operate at the direction of the Commissioner and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner.

(B) analyze information received from any individual described in subsection (b) and either investigate the matter itself or, if the Whistleblower Office determines that the individual is convicted of criminal conduct related to the disclosure, request any legal representative of such individual, and

(C) determine the amount to be awarded to such individual under subsection (b).

(2) FUNDING FOR OFFICE.—There is authorized to be appropriated $10,000,000 for each fiscal year for the Whistleblower Office. These funds shall be used to maintain the Whistleblower Office and also to reimburse other Internal Revenue Service offices for related costs, such as costs of investigation and collection.

(3) REQUEST FOR ASSISTANCE.—

(A) IN GENERAL.—Any assistance requested under paragraph (1)(F) shall be under the direction and control of the Whistleblower Office or the office assigned to investigate the matter under subparagraph (A).

(B) to the extent that assistance under subparagraph (A) is provided, the Secretary shall be reimbursed for the costs of the assistance provided.

(4) AMENDMENTS.—The amendments made by this section are applicable to any amount paid or incurred on or after the date of enactment of this Act, except that such amounts are subject to the rules under section 7461(b)(1).

SEC. 1719. DENIAL OF DEDUCTION FOR CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

(a) IN GENERAL.—Subsection (f) of section 162 (relating to trade or business expenses) is amended to read as follows:

(b) SPECIAL RULE FOR CERTAIN LISTED TRANSACTIONS.—

SEC. 1720. FREEZE OF INTEREST SUSPENSION RULES WITH RESPECT TO LISTED TRANSACTIONS.

(a) IN GENERAL.—Section 983(d) of the American Jobs Creation Act of 2005 is amended to read as follows:

(b) EXCEPTION FOR REPORTABLE OR LISTED TRANSACTIONS.—

(a) IN GENERAL.—The amendments made by this section shall apply to amounts paid or incurred on or after the date of enactment of this Act.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred on or after the date of enactment of this Act.
"(I) the taxpayer is participating in a published settlement initiative which is offered by the Secretary of the Treasury or his delegate to a group of similarly situated taxpayers claiming benefits from the listed transaction, or
"(II) the taxpayer has entered into a settlement agreement pursuant to such an initiative that the tax liability arising in connection with the listed transaction.
Subclause (I) shall not apply to the taxpayer if, after the taxpayer withdraws from, or terminates, participation in the initiative or the Secretary or his delegate determines that a settlement agreement will not be entered into with respect to the listed transaction.
"(iii) CLOSED TRANSACTIONS.—Clause (I) shall not apply to a listed transaction if, as of May 9, 2005—
"(I) the assessment of all Federal income taxes for the taxable year in which the tax liability arises in connection with the listed transaction.
(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactments of the American Jobs Creation Act of 2004 to which it relates.

SEC. 1721. MODIFICATIONS OF EFFECTIVE DATES OF LEASES OR TENancies.

(a) IN GENERAL.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 6711 the following new subsection:

"SEC. 6712. MODIFICATIONS OF EFFECTIVE DATES OF LEASES OR TENANCIES.

"(a) I N GENERAL.—If a covered expatriate elects to be treated as a covered expatriate for the taxable year in which the election is made, the election shall be irrevocable. An election under subsection (a) as the gain taken into account under subsection (a) with respect to any property shall be treated in the same manner as an amount required to be includable in gross income.

"(b) CATCH-UP AMENDMENT.—
"(I) IN GENERAL.—In the case of an expatriate covered expatriate (as defined in section 877) that elects the application of this paragraph and the election is irrevocable, the amount equal to—
"(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, divided by the cost-of-living adjustment determined under section 1(f)(3) for calendar year 1992, in subpara
"(c) COVERED EXPATRIATES.—For purposes of this section—
"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'covered expatriate' means an expatriate.
"(2) EXCEPTIONS.—An individual shall not be treated as a covered expatriate if—
"(A) the individual—
"(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and
"(ii) has not been a resident of the United States (as defined in section 7701(b)(1)) for more than 5 taxable years beginning before the taxable year in which the expatriation date occurs, or
"(B) the individual’s relinquishment of United States citizenship occurs before such individual attains age 18%, and
"(ii) the individual has been a resident of the United States (as defined for purposes of paragraph (2), the term 'covered expatriate' means a covered expatriate).
"(3) DETERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (2), the additional tax attributed to such property shall not be determined under this subsection if—
"(A) the taxpayer elects the application of this subsection with respect to any property treated as sold on the day before the expiration date for its fair market value.

"(4) TERMINATION OF POSTPONEMENT.—No tax may be postponed under this subsection after the due date for the return of tax for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the Secretary determines the timing of the property to be treated as having been received by such individual on such date as a distribution under the plan.
(B) TREATMENT OF SUBSEQUENT DISTRIBUTIONS.—In the case of any distribution on or after the expiration date to or on behalf of the covered expatriate from a plan from which the expatriate was treated during the period described in subparagraph (A), the amount otherwise includable in gross income by reason of the subsequent distribution (as described in paragraph (1)) shall not be treated as a distribution from the relevant plan in determining the amount includable in gross income under subparagraph (A) over any portion of such amount to which this subparagraph previously applied.

(C) TREATMENT OF SUBSEQUENT DISTRIBUTIONS BY PLAN.—For purposes of this title, a retirement plan to which this paragraph applies, and any pension, profit-sharing, stock bonus, or stock purchase plan described in section 401(a)(17) of the Code shall be treated as established and maintained for the sole purpose of providing benefits only to covered expatriates (as defined in section 457(b)) of an eligible foreign pension plan or similar retirement plan (as defined in section 457(c)), except that—

(i) any distribution described in paragraph (3) following the date of the event described in paragraph (1) (including any deemed distribution, if applicable) shall be treated as a separated share in the plan, and

(ii) the separate share shall be treated as a separate trust consisting of the assets allocable to such share, to the extent provided in regulations.

(1) any qualified retirement plan (as defined in section 401(h)), and

(2) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

(ii) any other beneficiary of the trust.

Subsection (a)(2) shall apply to any such distribution described in paragraph (1) if an individual is determined under paragraph (3) to hold an interest in a trust on the day before the expiration date.

(A) the individual shall not be treated as having sold such interest,

(B) such interest shall be treated as a separate share in the trust, and

(C)(i) such separate share shall be treated as a separate trust consisting of the assets allocable to such share, to the extent provided in regulations.

(ii) to the extent provided in regulations, any foreign pension plan or similar retirement arrangement may be made for liabilities of the trust allocable to an individual’s share in the trust.

(2) SPECIAL RULES FOR INTERESTS IN QUALIFIED TRUSTS.—

(A) IN GENERAL.—If the trust interest described in paragraph (1) is an interest in a qualified trust—

(i) paragraph (1) and subsection (a) shall not apply, and

(ii) in addition to any other tax imposed by this title, there is hereby imposed—

(A) a tax equal to the lesser of—

(I) the tax imposed by subparagraph (A)(ii) shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax, and

(II) any other beneficiary of the trust shall be entitled to recover from the distribution the amount of such tax imposed on the other beneficiary.

(B) DISPOSITION.—If a trust ceases to be a qualified trust at any time, a covered expatriate disposes of an interest in a qualified trust, or if an interest in a qualified trust dies, then, in lieu of the tax imposed by subparagraph (A)(ii), there is hereby imposed a tax equal to the lesser of—

(i) the tax determined under paragraph (1) as if the date before the expiration date were the date of such cessation, disposition, or death, whichever is applicable, or

(ii) the balance in the tax deferred account immediately before such date.

Such tax shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax and any other beneficiary of the trust shall be entitled to recover from the covered expatriate or the estate the amount of such tax imposed on the other beneficiary.

(G) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

(i) QUALIFIED TRUST.—The term ‘qualified trust’ means a trust which is described in section 7704(a),

(ii) VESTED INTEREST.—The term ‘vested interest’ means any interest which, as of the day before the expiration date, is vested in the beneficiary.

(iii) NONVESTED INTEREST.—The term ‘nonvested interest’ means, with respect to any beneficiary, any interest in a trust which is not a vested interest. Such interest shall be determined by assuming the maximum exercise of discretion in favor of the beneficiary and the occurrence of all contingencies in favor of the beneficiary.

(3) RULES.—The Secretary may provide for such adjustments to the bases of assets in a trust or a deferred tax account, and the timing of such adjustments, in order to ensure that gain is taxed only once.

This subsection shall not apply to an interest in a trust which is part of a retirement plan to which subsection (d)(2) applies.

(V) DETERMINATION OF BENEFICIARIES’ INTEREST IN TRUST.—

(A) DETERMINATIONS UNDER PARAGRAPH (1).—For purposes of paragraph (1), a beneficial interest in a trust shall be determined by the beneficiary, and is not subject to any rules based upon all relevant facts and circumstances, including the terms of the trust instrument.
and any letter of wishes or similar document, historical patterns of trust distributions, and the existence of and functions performed by a trust protector or any similar adviser."

"(B) OTHER DETERMINATIONS.—For purposes of this section—"

"(i) CONSTRUCTIVE OWNERSHIP.—If a beneficiary of a trust, corporation, partnership, trust, or estate, the shareholders, partners, or beneficiaries shall be deemed to be the trust beneficiaries for purposes of this section.

"(ii) TAXPAYER RETURN POSITION.—A taxpayer shall clearly indicate on its income tax return—"

"(I) the methodology used to determine that taxpayer's trust interest under this section, and

"(II) if the taxpayer knows (or has reason to know) that any other beneficiary of such trust is using a different methodology to determine such beneficiary's trust interest under this section.

"(g) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—"

"(1) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

"(2) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of tax shall be due and payable at the time and in the manner prescribed by the Secretary.

"(h) IMPOSITION OF TENTATIVE TAX.—"

"(1) IN GENERAL.—Notwithstanding any other provision of this title, there is hereby imposed, immediately upon written declaration of a covered expatriate under subsection (a) or (b), a tentative tax upon the increase in the covered expatriate's Federal gross income (as determined for purposes of this section) between the time of the declaration and the time of the last short taxable year ending before the expatriation date.

"(2) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expiration date.

"(i) FORMER CITIZENS NOT IN COMPLIANCE WITH EXPATRIATION REVENUE PROVISIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

"(j) IMPOSITION OF TENTATIVE TAX."

"(2) Section 877A is amended by—"

"(A) inserting at the end of section 877A(a)(5)(B) the following new paragraph:

"(B) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(2) SUBPARAGRAPH.—The Secretary shall prescribe such regulations as necessary or appropriate to carry out the purposes of this section.

"(e) CONFORMING AMENDMENTS.—"

"(1) Section 877 is amended by adding at the end the following new subsection:

"(b) APPLICATION.—This section shall not apply to an expatriate described in section 877A(e)(1)(B) whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

"(f) APPLICATION.—This section shall not apply to an expatriate subject to section 877.

"(2) Section 877A is amended by adding at the end the following new paragraph:

"(b) APPLICATION.—This section shall not apply to an expatriate subject to section 877A.

"(g) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—"

"(1) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

"(2) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of tax shall be due and payable at the time and in the manner prescribed by the Secretary.

"(h) IMPOSITION OF TENTATIVE TAX.—"

"(1) IN GENERAL.—Notwithstanding any other provision of this title, there is hereby imposed, immediately upon written declaration of a covered expatriate under subsection (a) or (b), a tentative tax upon the increase in the covered expatriate's Federal gross income (as determined for purposes of this section) between the time of the declaration and the time of the last short taxable year ending before the expatriation date.

"(2) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expiration date.

"(I) the methodology used to determine the Secretary that no further tax liability may arise by reason of this section.

"(3) CERTAIN RULES APPLY.—The rules set forth in paragraphs (1) and (2) of section 8724A(d) shall apply with respect to the lien imposed by this subsection as if it were a lien imposed by section 8724A.

"(4) INCLUSION IN income OF GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—Section 877A(e)(3) of the Internal Revenue Code of 1986 (as added by section 212(a)(10)(E)) who were covered expatriates is hereby amended by adding at the end the following new subsection:

"(I) the methodology used to determine such beneficiary and any letter of wishes or similar document, historical patterns of trust distributions, and the existence of and functions performed by a trust protector or any similar adviser."

"(B) no such return was timely filed but no later than 30 days after the date of the enactment of this Act.

"(C) by adding at the end the following new subsection:

"(I) IN GENERAL.—Subsection (a) shall not apply to any property if either—"

"(A) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(B) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(C) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(D) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(E) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(2) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—"

"(1) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

"(2) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of tax shall be due and payable at the time and in the manner prescribed by the Secretary.

"(h) IMPOSITION OF TENTATIVE TAX.—"

"(1) IN GENERAL.—Notwithstanding any other provision of this title, there is hereby imposed, immediately upon written declaration of a covered expatriate under subsection (a) or (b), a tentative tax upon the increase in the covered expatriate's Federal gross income (as determined for purposes of this section) between the time of the declaration and the time of the last short taxable year ending before the expatriation date.

"(2) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expiration date.

"(3) TERMINATION OF DEFERRALS, ETC.—The provisions of subsection (b) shall apply to the tax imposed by this subsection to the extent attributable to gain includible in gross income by reason of this section.

"(i) SPECIAL LIENS FOR DEFERRED TAX AMOUNTS.—"

"(1) IN GENERAL.—If a covered expatriate makes an election under subsection (a)(4) or (b) which results in the deferral of any tax imposed by this chapter for the taxable year to which subsection (a) applies.

"(2) DEFERRED AMOUNT.—For purposes of this subsection, the deferred amount is the amount of the increase in the covered expatriate's Federal gross income between the time of the election under subsection (a)(4) or (b), which, but for the election, would have occurred by reason of this section for the taxable year including the expatriation date.

"(2) PERIOD OF LIEN.—The lien imposed by this subsection shall arise on the expatriation date and continue until—"

"(A) the tax on any amount of tax by reason of this section is satisfied or has become unenforceable by reason of lapse of time, or

"(B) it is established to the satisfaction of the Secretary that no further tax liability may arise by reason of this section.

"(3) CERTAIN RULES APPLY.—The rules set forth in paragraphs (1) and (2) of section 8724A(d) shall apply with respect to the lien imposed by this subsection as if it were a lien imposed by section 8724A.

"(4) INCLUSION IN income OF GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—Section 877A(e)(3) of the Internal Revenue Code of 1986 (as added by section 212(a)(10)(E)) who were covered expatriates is hereby amended by adding at the end the following new subsection:

"(I) IN GENERAL.—Subsection (a) shall not apply to any property if either—"

"(A) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(B) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(C) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(D) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(E) the gift, bequest, devise, or inheritance is treated as a covered expatriate on or after the date of the enactment of this Act.

"(f) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—"

"(1) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

"(2) any extension of time for payment of tax shall cease to apply on the day before the expatriation date and the unpaid portion of tax shall be due and payable at the time and in the manner prescribed by the Secretary.

"(h) IMPOSITION OF TENTATIVE TAX.—"

"(1) IN GENERAL.—Notwithstanding any other provision of this title, there is hereby imposed, immediately upon written declaration of a covered expatriate under subsection (a) or (b), a tentative tax upon the increase in the covered expatriate's Federal gross income (as determined for purposes of this section) between the time of the declaration and the time of the last short taxable year ending before the expatriation date.

"(2) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expiration date.

"(3) TERMINATION OF DEFERRALS, ETC.—"
SEC. 1726. LIMITATION OF EMPLOYER DEDUCTION FOR CERTAIN ENTERTAINMENT EXPENSES.

(a) IN GENERAL.—Par. 414(c)(2) is amended by inserting `83(i),` after paragraph (4) therein. 

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to any exchange occurring after the date of the enactment of this Act.

SEC. 1727. INCREASE IN PENALTY FOR BAD CHECKS.

(a) IN GENERAL.—Sec. 6675 (relating to bad checks) is amended—

(1) by striking `$750` and inserting `$1,250`; and

(2) by striking `$15` and inserting `$25`.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 1728. ELIMINATION OF DOUBLE DEDUCTION ON EXPORATION AND DEVELOPMENT COSTS UNDER THE MINIMUM TAX.

(a) IN GENERAL.—Sec. 59(a)(1) (relating to depletions, and `the taxable year`) and inserting `for the taxable year and determined without regard to so much of the basis as is attributable to mining exploration and development costs described in section 616 or 617 for which a deduction is allowed for any taxable year under this part.`.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect after the date of the enactment of this Act.

PART III—IMPROVEMENTS IN EFFICIENCY AND SAFEGUARDS IN INTERNAL REVENUE SERVICE COLLECTION

SEC. 1731. WAIVER OF USER FEE FOR INSTALLMENT AGREEMENTS USING AUTOMATED WITHDRAWALS.

(a) IN GENERAL.—Sec. 6159 (relating to agreements for payment of tax liability in installments) is amended by redesignation of subsection (c) as subsection (b), and by insertion after subsection (d) the following:

`(e) WAIVER OF USER FEES FOR INSTALLMENT AGREEMENTS USING AUTOMATED WITHDRAWALS.—In the case of a taxpayer who enters into an installment agreement in which automated installment payments are agreed to, the taxpayer is relieved of such fees (if any) for entering into the installment agreement.`.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to agreements entered into on or after the date which is 180 days after the date of the enactment of this Act.

SEC. 1732. TERMINATION OF INSTALLMENT AGREEMENTS.

(a) IN GENERAL.—Sec. 6159(d)(4) (relating to failure to pay installment or any other tax liability when due or to provide requested financial information) is amended by striking `or` at the end of subparagraph (B), and by redesignating subparagraph (C) as subparagraph (B) the following:

`(C) to make a Federal tax deposit under section 6322 at the time such deposit is required to be made.`

`(D) to file a return of tax imposed under this title by its due date (including extensions), or.`

(b) CONFORMING AMENDMENT.—The heading for section 6159(b)(4) is amended by striking `FAILURE TO PAY AN INSTALLMENT OR ANY OTHER TAX LIABILITY WHEN DUE OR TO PROVIDE REQUESTED FINANCIAL INFORMATION` and inserting `FAILURE TO MAKE PAYMENTS OR DEPOSITS OR FILE RETURNS WHEN DUE OR TO PROVIDE REQUESTED FINANCIAL INFORMATION`.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to failures occurring on or after the date of the enactment of this Act.

SEC. 1733. OFFICE OF CHIEF COUNSEL REVIEW OF DEFERRED COMPENSATION.

(a) IN GENERAL.—Sec. 7122(b) (relating to record) is amended by striking `Whenever a compromise and all that follows through `his delegate` and inserting `If the Secretary determines that an opinion of the General Counsel for the Department of the Treasury, or the Counsel’s delegate, is required with respect to a compromise, there shall be placed on file in the office of the Secretary such opinion’.`

(b) CONFORMING AMENDMENT.—Sec. 7122(b) is amended by striking the second and third sentences.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to offers-in-compromise submitted or pending on or after the date of the enactment of this Act.

SEC. 1734. PARTIAL PAYMENTS REQUIRED WITH SUBMISSION OF OFFERS-IN-COMpromise.

(a) IN GENERAL.—Sec. 7122 (relating to compromises), as amended by this Act, is amended—

(1) in subsection (d), by redesignating paragraphs (c), (d), and (e) as subsections (d), (e), and (f), respectively, and by inserting after subsection (d) the following:

`The submission of any lump-sum offer-in-compromise shall be accompanied by a plan for the payment of the amount of such offer in at least 5 installments, or as determined by the Secretary.`

(2) by striking `(i) LUMP-SUM OFFERS. —`(1) LUMP-SUM OFFERS.—`(1) IN GENERAL.—The submission of any lump-sum offer-in-compromise shall be accompanied by the payment of 20 percent of amount of such offer.`

(b) CONFORMING AMENDMENT.—For purposes of this section, the term ‘lump-sum offer-in-compromise’ means any offer of payments made in 5 or fewer installments.

SEC. 1735. TERMINATION OF INSTALLMENT AGREEMENTS.

(a) IN GENERAL.—Sec. 6159 (relating to agreements for payment of tax liability in installments) is amended by redesignating subsection (c) as subsection (b), and by inserting after subsection (b) the following:

`The submission of any periodic payment offer-in-compromise shall be accompanied by the payment of the amount of the first proposed installment and each proposed installment due during the period such offer is being evaluated for acceptance and has not been rejected by the Secretary. Any failure to make a payment required under the preceding sentence shall be deemed a withdrawal of the offer-in-compromise.`

(b) EFFECTIVE DATE.—The application of any payment made under this subsection to
the assessed tax or other amounts imposed under this title with respect to such tax may be specified by the taxpayer.

(2) No user fee imposed.—Any user fee which may be imposed by subparagraph (a) shall not be imposed on any offer-in-compromise accompanied by a payment required under this subsection.

(b) MEMBERS AND OFFICERS RELATING TO TREATMENT OF OFFERS.—

(1) UNPROCESSABLE OFFER IF PAYMENT REQUIREMENTS ARE NOT MET.—Paragraph (3) of section 7803(a) (relating to standards for evaluation of offers), as redesignated by subsection (a), is amended by striking ‘‘; and’’ and inserting ‘‘; and’’ and at the end of subparagraph (A) and inserting a new subparagraph (B) and inserting ‘‘, and’’, and by adding at the end the following new subparagraph:

‘‘(C) any offer-in-compromise which does not meet the requirements of subsection (c) shall be returned to the taxpayer as unprocessable.’’

(2) DEEMED ACCEPTANCE OF OFFER NOT REJECTED WITHIN CERTAIN PERIOD.—Section 7222, as amended by subsection (a), is amended by adding at the end the following new subsection:

‘‘(g) DEEMED ACCEPTANCE OF OFFER NOT REJECTED WITHIN CERTAIN PERIOD.—Any offer submitted under this subsection shall be deemed to be accepted by the Secretary if such offer is not rejected by the Secretary before the date which is 24 months after the date of the submission of such offer (12 months for offers-in-compromise submitted after the date which is 5 years after the date of the enactment of this Act).

SEC. 1752. JOINT TASK FORCE ON OFFERS-IN-COMPROMISE.

(a) IN GENERAL.—The Secretary of the Treasury shall establish a joint task force to:

(1) review the Internal Revenue Service’s determinations with respect to offers-in-compromise, including offers which arise out of determinations with respect to offers-in-compromise relief, the number of offers and reviews of such offers appealed, the period during which review of such offers have remained pending, and the efforts the Internal Revenue Service has made to correctly identify such offers, including the training of employees in identifying and evaluating such offers.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to reports in calendar year 2006 and thereafter.

SA 929. Mr. LEVIN (for himself and Mr. BAYH) submitted an amendment inuring to the bill H.R. 6, to ensure jobs for our future energy; which was ordered to lie on the table.

SEC. 1760. ALTERNATIVE MOTOR VEHICLE CREDITS.

(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

(1) the new qualified fuel cell motor vehicle credit determined under subsection (b),

(2) the advanced lean burn technology motor vehicle credit determined under subsection (c),

(3) the new qualified hybrid motor vehicle credit determined under subsection (d), and

(4) the new qualified alternative fuel motor vehicle credit determined under subsection (e).

(b) NEW QUALIFIED FUEL CELL MOTOR VEHICLE CREDIT.—

(1) IN GENERAL.—For purposes of subsection (a), the new qualified fuel cell motor vehicle credit determined under this subsection shall be the tax credits in the amount determined by paragraph (1) of section 47(g) of the Internal Revenue Code of 1986 for each new qualified fuel cell motor vehicle placed in service by the taxpayer during the taxable year in which such vehicle is first placed in service by the taxpayer.

(2) NEW QUALIFIED FUEL CELL MOTOR VEHICLE.—

(A) IN GENERAL.—The term ‘‘new qualified fuel cell motor vehicle’’ means a passenger automobile or light truck which is electric vehicles as defined by section 7682 of the Internal Revenue Code of 1986 and is determined by paragraph (1) of section 47(g) of such Code for each new qualified fuel cell motor vehicle placed in service by the taxpayer in the taxable year in which such vehicle is first placed in service by the taxpayer, plus an additional tax credit in an amount determined by paragraph (1) of section 47(g) of such Code for each such vehicle placed in service in a taxable year after the year in which such vehicle is first placed in service by the taxpayer.

(B) NQFMV WEIGHT LIMIT.—The term ‘‘new qualified fuel cell motor vehicle’’ means a motor vehicle—

(A) which is propelled by power derived from one or more cells which convert chemical energy directly into electricity by combining oxygen with hydrogen fuel which is.
technology motor vehicle placed in service by the taxpayer during the taxable year is the credit amount determined under paragraph (2)."

"(2) CREDIT AMOUNT.—
(A) FUEL ECONOMY.—
(i) GENERAL.—The credit amount determined under this paragraph shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Percentage of the 2002 model year city fuel economy</th>
<th>Credit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least 225 percent but less than 150 percent</td>
<td>$2,500</td>
</tr>
<tr>
<td>At least 150 percent but less than 125 percent</td>
<td>$1,800</td>
</tr>
<tr>
<td>At least 125 percent but less than 100 percent</td>
<td>$1,200</td>
</tr>
<tr>
<td>At least 100 percent but less than 75 percent</td>
<td>$700</td>
</tr>
<tr>
<td>At least 75 percent but less than 50 percent</td>
<td>$200</td>
</tr>
</tbody>
</table>

(B) Body style (2-door or 4-door),

(C) Transmission (automatic or manual),

(D) Acceleration performance (0.60 seconds or less),

(E) Driver train (2-wheel drive or 4-wheel drive).

(C) Certification by the Administrator of the Environmental Protection Agency.

(D) Lifetime fuel savings. For purposes of this subsection, "lifetime fuel savings" means, in the case of any new advanced lean burn technology motor vehicle, an amount equal to the excess (if any) of:

- (A) 120,000 divided by the 2002 model year city fuel economy for the vehicle inertia weight class, over
- (B) 120,000 divided by the city fuel economy for such vehicle.

(D) NEW QUALIFIED HYBRID MOTOR VEHICLE CREDIT.—

(1) I N GENERAL.—For purposes of section (a), the new qualified hybrid motor vehicle credit determined under this subsection with respect to a new qualified hybrid motor vehicle which is a passenger automobile, medium duty passenger vehicle, or light truck, the credit amount determined under this paragraph is equal to the sum of:

- (A) Fuel economy. —The amount determined under subsection (b)(3)(A) if such vehicle were a vehicle referred to in such subsection.
- (B) Conservation credit. —The amount determined under subsection (b)(2)(B) if such vehicle were a vehicle referred to in such subsection.
- (C) Option to use like vehicle. —For purposes of this subsection, the term ‘new advanced lean burn technology motor vehicle’ means a passenger automobile, medium duty passenger vehicle, or light truck which has a maximum vehicle weight rating of more than 14,000 pounds.

(II) Incorporates direct injection,

(III) Achieves at least 225 percent of the 2002 model year city fuel economy,

(iv) for 2004 and later model vehicles, has received a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(1) of the Clean Air Act for that make and model year vehicle.

(II) Lifetime fuel savings. For purposes of this subsection, the term ‘lifetime fuel savings’ means, in the case of any new advanced lean burn technology motor vehicle, an amount equal to the excess (if any) of:

- (A) 120,000 divided by the 2002 model year city fuel economy for the vehicle inertia weight class, over
- (B) 120,000 divided by the city fuel economy for such vehicle.

(D) NEW QUALIFIED HYBRID MOTOR VEHICLE CREDIT.—

(1) I N GENERAL.—For purposes of section (a), the new qualified hybrid motor vehicle credit determined under this subsection with respect to a new qualified hybrid motor vehicle which is a passenger automobile, medium duty passenger vehicle, or light truck, the credit amount determined under this paragraph is equal to the sum of:

- (A) Fuel economy. —The amount determined under subsection (c)(2)(A) if such vehicle were a vehicle referred to in such subsection.
- (B) Conservation credit. —The amount determined under subsection (c)(2)(B) if such vehicle were a vehicle referred to in such subsection.
- (C) Option to use like vehicle. —For purposes of this subsection, the term ‘new advanced lean burn technology motor vehicle’ means a passenger automobile, medium duty passenger vehicle, or light truck which has a maximum vehicle weight rating of more than 14,000 pounds.

(II) Incorporates direct injection,

(III) Achieves at least 225 percent of the 2002 model year city fuel economy,

(iv) for 2004 and later model vehicles, has received a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(1) of the Clean Air Act for that make and model year vehicle.

(E) which is made by a manufacturer.

(II) in the case of a vehicle having a gross vehicle weight rating of more than 6,000 pounds, the Bin 5 Tier II emission standard which is so established.

The conservation credit amount determined under paragraph (2) is:

(I) At least 50 percent ....................... 40 percent.

(ii) At least 40 but less than 50 percent .... 30 percent.

(iii) At least 30 but less than 40 percent .... 20 percent.

(iv) At least 20 but less than 30 percent .... 10 percent.

(v) At least 10 but less than 20 percent .... 5 percent.

(vi) At least 5 but less than 10 percent .... 2.5 percent.

(vii) At least 2.5 but less than 5 percent .... 1.25 percent.

(viii) At least 1.25 but less than 2.5 percent .... 0.625 percent.

(3) NEW ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE.—

For purposes of this subsection, the term ‘new advanced lean burn technology motor vehicle’ means a passenger automobile, medium duty passenger vehicle, or light truck which achieves a lifetime fuel savings (expressed in gallons of gasoline) of:

- At least 1,200 but less than 1,800 .. $700
- At least 1,800 but less than 2,400 .. $1,200
- At least 2,400 but less than 3,000 .. $1,700
- At least 3,000 but less than 3,600 .. $2,200
- At least 3,600 but less than 4,200 .. $2,700
- At least 4,200 but less than 4,800 .. $3,200
- At least 4,800 but less than 5,400 .. $3,700
- At least 5,400 but less than 6,000 .. $4,200
- At least 6,000 but less than 6,600 .. $4,700
- At least 6,600 but less than 7,200 .. $5,200
- At least 7,200 but less than 7,800 .. $5,700
- At least 7,800 but less than 8,400 .. $6,200
- At least 8,400 but less than 9,000 .. $6,700
- At least 9,000 but less than 9,600 .. $7,200
- At least 9,600 but less than 10,200 .. $7,700
- At least 10,200 but less than 10,800 .. $8,200
- At least 10,800 but less than 11,400 .. $8,700
- At least 11,400 but less than 12,000 .. $9,200
- At least 12,000 but less than 12,600 .. $9,700
- At least 12,600 but less than 13,200 .. $10,200
- At least 13,200 but less than 13,800 .. $10,700
- At least 13,800 but less than 14,400 .. $11,200

(II) incorporating direct injection,

(III) achieving at least 225 percent of the 2002 model year city fuel economy,

(iv) for 2004 and later model vehicles, has received a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission standard which is so established.

The conservation credit amount determined under paragraph (2) is:

(I) At least 75 percent ....................... 60 percent.

(ii) At least 60 but less than 75 percent .... 45 percent.

(iii) At least 45 but less than 60 percent .... 30 percent.

(iv) At least 30 but less than 45 percent .... 15 percent.

(v) At least 15 but less than 30 percent .... 7.5 percent.

(vi) At least 7.5 but less than 15 percent .... 3.75 percent.

(vii) At least 3.75 but less than 7.5 percent .... 1.875 percent.

(4) NEW QUALIFIED Hybrid MOTOR VEHI CLE.—For purposes of this subsection:

(A) I N GENERAL.—The term ‘new qualified hybrid motor vehicle’ means a motor vehicle:

(i) which draws propulsion energy from onboard sources of stored energy which are both:

- (I) an internal combustion or heat engine using consumable fuel, and
- (II) a rechargeable energy storage system,

(ii) which, in the case of a passenger automobile, medium duty passenger vehicle, or light truck:

- (I) having a gross vehicle weight rating of more than 6,000 pounds or less, has received a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(1) of the Clean Air Act for that make and model year vehicle,

- (II) having a gross vehicle weight rating of more than 6,000 pounds but not more than 8,500 pounds, has received a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission standard which is so established,

- (III) having a certificate of conformity under the Clean Air Act and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 286(2) of the Clean Air Act for that make and model year vehicle,

- (IV) has a maximum available power of at least 5 percent,

- (V) which, in the case of a heavy duty hybrid motor vehicle:

- (I) having a gross vehicle weight rating of more than 8,500 but not more than 14,000 pounds, has a maximum available power of at least 10 percent, and

- (II) having a gross vehicle weight rating of more than 14,000 pounds, has a maximum available power of at least 15 percent.

(B) C ONSUMABLE FUEL.—For purposes of subparagraph (A)(1)(I), the term ‘consumable fuel’—

(i) means a passenger automobile, medium duty passenger vehicle, or light truck which:

- (I) has a maximum vehicle weight rating of more than 8,500 but not more than 14,000 pounds,

- (II) has a maximum available power of at least 10 percent.

(ii) includes a vehicle which:

- (I) has a maximum vehicle weight rating of more than 14,000 pounds,

- (II) has a maximum available power of at least 15 percent.
fuel' means any solid, liquid, or gaseous matter which releases energy when consumed by an auxiliary power unit.

''(C) MAXIMUM AVAILABLE POWER.—''

(i) PASSENGER AUTOMOBILE, MEDIUM DUTY PASSENGER VEHICLE, OR LIGHT TRUCK.—For purposes of subpart (A)(ii), the term 'maximum available power' means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by the vehicle's total traction power. The term 'total traction power' means the sum of the peak power from the rechargeable energy storage system and the heat engine peak power of the vehicle, except that if such storage system is the sole means by which the vehicle can be driven, the total traction power is the peak power of such storage system.

(ii) HEAVY DUTY HYBRID MOTOR VEHICLE.—For purposes of subparagraph (A)(iii), the term 'maximum available power' means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by the vehicle's total traction power. The term 'total traction power' means the sum of the peak power from the rechargeable energy storage system and the heat engine peak power of the vehicle, except that if such storage system is the sole means by which the vehicle can be driven, the total traction power is the peak power of such storage system.

(iii) HEAVY DUTY HYBRID MOTOR VEHICLE.—For purposes of this subsection, the term 'maximum available power' means any qualified hybrid motor vehicle which has a gross vehicle weight rating of more than 8,500 pounds. Such term does not include a medium duty passenger vehicle.

''(D) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE CREDIT.—''

(1) ALLOWANCE OF CREDIT.—Except as provided in paragraph (5), the new qualified alternative fuel motor vehicle credit determined under this subsection is an amount equal to the applicable percentage of the incremental cost of any new qualified alternative fuel motor vehicle placed in service by the taxpayer during the taxable year.

(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage with respect to any new qualified alternative fuel motor vehicle is—

(A) 50 percent, plus

(B) 30 percent, if such vehicle—

(i) in the case of a certificate of conformity under the Clean Air Act and meets or exceeds the most stringent standard available for certification under the Clean Air Act for the government year vehicle (other than a zero emission standard), or

(ii) has received an order certifying the vehicle as meeting the same requirements as vehicles which may be sold or leased in Califor- nia and meets or exceeds the most stringent standard available for certification under the State laws of California (enacted in accordance with a waiver granted under section 206(b) of the Clean Air Act) for that make and model year vehicle (other than a zero emission standard). For purposes of the preceding sentence, in the case of any new qualified alternative fuel motor vehicle which weighs more than 14,000 pounds gross vehicle weight rating, the most stringent standard available for certification on the date of the enactment of the Energy Tax Incentives Act.

(3) INCREMENTAL COST.—For purposes of this subsection, the incremental cost of any new qualified alternative fuel motor vehicle is equal to the amount of the excess of the manufacturer's suggested retail price of such vehicle over such price for a gasoline or diesel fuel motor vehicle of the same model, to the extent such amount does not exceed—

(A) $10,000, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds,

(B) $25,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

(C) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

(4) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE.—For purposes of this subsection—

(A) IN GENERAL.—The term 'new qualified alternative fuel motor vehicle' means any motor vehicle—

(i) which is only capable of operating on an alternative fuel,

(ii) the original use of which commences with the taxpayer,

(iii) which is acquired by the taxpayer for use or lease, but not for resale, and

(iv) which is made by a manufacturer.

(B) ALTERNATIVE FUEL.—The term 'alternative fuel' means compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, and any liquid at least 85 percent of the volume of which consists of methanol.

(5) CREDIT FOR MIXED-FUEL VEHICLES.—

(A) IN GENERAL.—In the case of a mixed-fuel vehicle placed in service by the taxpayer during the taxable year, the credit determined under this subsection is an amount equal to—

(i) in the case of a 75/25 mixed-fuel vehicle, 70 percent of the credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle, and

(ii) in the case of a 90/10 mixed-fuel vehicle, 90 percent of the credit which would have been allowed under this subsection if such vehicle was a qualified alternative fuel motor vehicle.

(B) MIXED-FUEL VEHICLE.—For purposes of this subsection, the term 'mixed-fuel vehicle' means any motor vehicle described in subparagraph (C) or (D) of paragraph (3), which—

(i) is certified by the manufacturer as being able to perform efficiently in normal operation on a combination of an alternative fuel and a petroleum-based fuel,

(ii) either—

(I) has received a certificate of conformity under the Clean Air Act, or

(II) has received an order certifying the vehicle as meeting the same requirements as vehicles which may be sold or leased in California and meets or exceeds the low emission vehicle standard under section 81.105-94 of title 40, Code of Federal Regulations, for that make and model year vehicle,

(iii) the original use of which commences with the taxpayer,

(iv) which is acquired by the taxpayer for use or lease, but not for resale, and

(v) which is made by a manufacturer.

(C) 75/25 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term '75/25 mixed-fuel vehicle' means a mixed-fuel vehicle which operates using at least 75 percent alternative fuel and not more than 25 percent petroleum-based fuel.

(D) 90/10 MIXED-FUEL VEHICLE.—For purposes of this subsection, the term '90/10 mixed-fuel vehicle' means a mixed-fuel vehicle which operates using at least 90 percent alternative fuel and not more than 10 percent petroleum-based fuel.

(6) LIMITATION ON NUMBER OF NEW QUALIFIED ALTERNATIVE FUEL TECHNOLOGY VEHICLES ELIGIBLE FOR CREDIT.—

(A) IN GENERAL.—In the case of a qualified vehicle sold during the phaseout period, only 70 percent of the applicable percentage of the credit otherwise allowable under subsection (c) or (d) shall be allowed.

(B) PHASEOUT PERIOD.—For purposes of this subsection, the phaseout period is the period beginning with the first calendar quarter following the calendar quarter which includes the first date on which the number of qualified vehicles manufactured by the manufacturer of the vehicle referred to in paragraph (1) sold for use in the United States after the date of the enactment of this section is at least 80,000.

(C) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage is—

(A) 50 percent for the first 2 calendar quarters of the phaseout period,

(B) 25 percent for each of the last 4 calendar quarters of the phaseout period, and

(C) 0 percent for each calendar quarter thereafter.

(7) CONTROLLED GROUPS.—

(A) IN GENERAL.—For purposes of this subsection, all persons treated as a single employer under subsection (a) or (b) of section 52 or any successor to any such corporation shall be treated as a single employer.

(B) INCLUSION OF FOREIGN CORPORATIONS.—For purposes of subparagraph (A), in applying subsections (a) and (b) of section 52 to this section, section 1563 shall be applied without regard to subsection (b)(2)(C) thereof.

(8) QUALIFIED VEHICLE.—For purposes of this subsection, the term 'qualified vehicle' means any new qualified hybrid motor vehicle or any qualified alternative fuel motor vehicle.

(9) APPLICATION WITH OTHER CREDITS.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

(A) the regular tax for the taxable year reduced by the sum of the credits allowable under part III of subchapter B of chapter 1 of subtitle A of title 26, and

(B) the tentative minimum tax for the taxable year.

(10) OTHER DEFINITIONS AND SPEZIAL RULES.—For purposes of this section—

(A) MOTOR VEHICLE.—The term 'motor vehicle' has the meaning given such term by section 30(c)(2).

(2) CITY FUEL ECONOMY.—The city fuel economy with respect to any vehicle shall be the city fuel economy as defined in the Code of Federal Regulations (as in effect on the date of the enactment of this section).

(3) OTHER TERMS.—The terms 'passenger automobile', 'medium duty passenger vehicle', 'light truck', and 'manufacturer' have the meanings given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administra- tion of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

(4) CONSTRUCTION IN BASH.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed without regard to subsection (e).

(5) NO DOUBLE BENEFIT.—The amount of any deduction or other credit allowable under this chapter—

(A) for any incremental cost taken into account in computing the amount of the credit determined under subsection (e) shall be reduced by the amount of such credit attributable to such cost, and

(B) with respect to a vehicle described under subsection (b), (c), or (d) shall be re- duced by the amount of such credit allowed under subsection (a) for such vehicle for the taxable year.
"(d) REGULATIONS.—(1) IN GENERAL.—The Secretary shall promulgate such regulations as necessary to carry out the provisions of this section.

(2) IN GENERAL.—Except as provided in paragraph (1), the term ‘qualified alternative fuel vehicle refueling property’ means the therein specified type of fueling equipment.

(3) IN GENERAL.—The Secretary shall prescribe such regulations as necessary to determine whether a motor vehicle meets the requirements to be eligible for a credit under this section.

(4) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ has the meaning given to such term by section 179A(d), but only with respect to any fuel at least 85 percent of the volume of which consists of ethanol, natural gas, compressed natural gas, liquefied petroleum gas, and hydrogen.

(5) IN GENERAL.—The credit allowed under subsection (a) for any property placed in service after December 31, 2009, and before January 1, 2014, shall be treated as the tax credit for any property installed on property which is described in paragraph (3) or (4) of section 50(b) and which is not subject to a lease, the person who sold such property to the person or entity using such property shall be treated as the taxpayer for any property in service, but only if such person clearly discloses to such person or entity that the tax credit allowable under subsection (a) with respect to such property (determined without regard to subsection (d)) is available.

(6) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ means the therein specified type of fueling equipment.

(7) IN GENERAL.—The Secretary shall promulgate such regulations as necessary to carry out the provisions of this section.

(8) IN GENERAL.—The Secretary shall prescribe such regulations as necessary to determine whether a motor vehicle meets the requirements to be eligible for a credit under this section.

(9) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ means the therein specified type of fueling equipment.

(10) IN GENERAL.—The Secretary shall promulgate such regulations as necessary to carry out the provisions of this section.

(11) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ means the therein specified type of fueling equipment.

(12) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ means the therein specified type of fueling equipment.

(13) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ means the therein specified type of fueling equipment.
(2) EXTENSION OF DEDUCTION.—Subsection (f) of section 179A is amended to read as follows:

"(f) TERMINATION.—This section shall not apply to any credit placed in service—

"(1) in the case of property relating to hydrogen, after December 31, 2014, and

"(2) in the case of any other property, after December 31, 2015.

(c) INCENTIVE FOR PRODUCTION OF HYDROGEN AT QUALIFIED CLEAN-FUEL VEHICLE RE-FUELING PROPERTY.—Section 179A(d) (defining qualified clean-fuel vehicle refueling property) is amended by adding at the end the following new flush sentence:

"In the case of clean-burning fuel which is hydrogen produced from another clean-burning fuel, paragraph (3)(A) shall be applied by substituting "production, storage, or dispensing" for "storage or dispensing" both places it appears.

(d) CONFORMING AMENDMENTS.—

(1) Section 1031(a), as amended by this Act, is amended by inserting "(and)" at the end of paragraph (3), by striking the period at the end of paragraph (3) and inserting "and", and by adding at the end the following new paragraph:

"(3B) to the extent provided in section 30C(f)."

(2) Section 55(c)(2), as amended by this Act, is amended by inserting "30C(e)", after "30B(e)", and by inserting after the item relating to section 30B the following new item:

"Sec. 30C. Clean-fuel vehicle refueling property credit."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

(f) NONAPPLICATION OF SECTION.—Notwithstanding any other provision of this Act, the provisions of, and amendments made by, section 1533 of this Act shall be null and void.

SEC. 1703. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.), as amended by this Act, is amended by adding at the end the following new subpart:

"SEC. 30D. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

"(a) CREDIT ALLOWED.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 35 percent of so much of the qualified investment of an eligible taxpayer for such taxable year as does not exceed $25,000,000.

"(b) QUALIFIED INVESTMENT.—For purposes of this section—

"(1) IN GENERAL.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year—

"(A) to re-equip or expand any manufacturing facility of the eligible taxpayer to produce advanced technology motor vehicles or to produce eligible components,

"(B) for engineering integration of such vehicles and components as described in subsection (d), and

"(C) for research and development related to advanced technology motor vehicles and eligible components.

"(2) ATTRIBUTION RULES.—In the event a facility of the eligible taxpayer produces both advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

"(c) ADVANCED TECHNOLOGY MOTOR VEHICLES AND ELIGIBLE COMPONENTS.—For purposes of this section—

"(1) ADVANCED TECHNOLOGY MOTOR VEHICLE.—The term "advanced technology motor vehicle", when used in this Act, means an electric, plug-in electric, hybrid electric, or fuel cell vehicle that—

"(A) is capable of operating on a clean-burning fuel, or a fuel or fuels that are not subject to the fuel tax imposed by section 41(a), as amended by section 1703(c); and

"(B) is certified as an electric, plug-in electric, hybrid electric, or fuel cell vehicle by the Secretary of Energy under section 1493.

"(2) ELIGIBLE COMPONENTS.—The term "eligible component" means any component inherent to an advanced technology motor vehicle, including—

"(A) an electric motor or generator;

"(B) power split device;

"(C) power control unit;

"(D) hydraulic pump, or

"(E) integrated starter generator, or

"(F) battery,

"(G) integrated starter generator, or

"(H) hydrogen fuel storage system;

"(I) fuel injection system, or

"(J) a specific vehicle application.

"(3) IN GENERAL.—The term "qualified investment" means the sum of—

"(A) the sum of—

"(i) the incremental costs incurred in determining the amount of the credit under subsection (a) for any taxable year which are attributable to such cost.

"(b) TREATMENT OF CONTINGENT PAYMENTS.—This section shall not apply to any qualified investment after December 31, 2010."

(b) CONFORMING AMENDMENTS.—

(1) LIMITATION ON CREDIT.—Section 30D(b) as amended by this Act, is amended by striking "and" at the end of paragraph (3), by striking the period at the end of paragraph (3) and inserting ";", and by inserting after the amendment just described the following new paragraph:

"(4) to the extent provided in section 30D(c).

(2) Section 6501(m), as amended by this Act, is amended by inserting "30D(k)", after "30C(k)", and by inserting after the item relating to section 30C the following new item:

"Sec. 30D. Advanced technology motor vehicles manufacturing credit."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts incurred in taxable years beginning after December 31, 2005.

Subtitle B—Revenue Offset Provisions

PART I—GENERAL PROVISIONS

SEC. 1711. TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE INSTRUMENTS.

(a) IN GENERAL.—Section 1275(d) (relating to receipt of tax benefits) is amended by striking "The Secretary" and inserting the following:

"(1) by striking "The Secretary" and inserting the following:
(c) E FFECTIVE DATE.

The amendments made by this section shall apply to submis-
sions on or after the date of the enactment of this Act.

SEC. 1712. CONVERTIBLE DEBT SUBMISSIONS.

(a) CIVIL PENALTIES.

The term ‘convertible debt’ means a specified submission if any portion of such submission is a specified frivolous submission and such portion with-

(b) E FFECTIVE DATE.

The amendments made by this section shall apply to submis-
sions on or after the date of the enactment of this Act.

SEC. 1713. INCREASE IN CERTAIN CRIMINAL PEN-
ALTIES.

(a) IN GENERAL.

The amendments made by this section shall apply to submis-
sions on or after the date of the enactment of this Act.

SEC. 1714. INCREASE IN PENALTIES.

(b) INCREASE IN PENALTIES.

(1) (A) S ECTION 6702 IS AMENDED—

(b) T REATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.

(1) FRIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HURDLES BEFORE LEVY.

(1) F RIVOLOUS REQUESTS DISREGARDED.
(a) DETERMINATION OF PENALTY.—

(1) Without challenging any other provision of law, in the case of an applicable taxpayer—

(A) the determination as to whether any interest or penalty is imposed, and the amount so imposed, are made, with respect to any tax year, in accordance with rules prescribed in paragraph (2), or to any underpayment of Federal income tax attributable to incorrect or incomplete information furnished in connection with any such underpayment, shall be made without regard to the rules of subsections (b), (c), and (d) of section 6662 of the Internal Revenue Code of 1986, and

(B) if any such interest or applicable penalty is imposed, the amount of such interest or penalty shall be equal to twice that determined without regard to this section.

(2) APPLICABLE TAXPAYER.—For purposes of this subsection—

(A) IN GENERAL.—The term ‘applicable taxpayer’ means a taxpayer which—

(i) has underreported its United States income tax liability with respect to any item which directly or indirectly involves—

(I) a determination of a corporation with respect to income of another person or in other respects affecting income of another person, and, in addition, in the case of a trade or business, such use is conducted in the ordinary course of the trade or business of the taxpayer;

(ii) has made a request to the taxpayer for information and the taxpayer could not determined without regard to this paragraph.

(B) DEFINITIONS AND RULES.—For purposes of paragraph (1),—

(i) any offshore financial arrangement (including any arrangement with foreign banks, financial institutions, corporations, partnerships, or other entities), and

(ii) has not signed a closing agreement pursuant to the Voluntary Offshore Compliance Initiative established by the Department of the Treasury under Revenue Procedure 2008–11 or voluntarily disclosed its participation in such arrangement by notifying the Internal Revenue Service of such arrangement prior to the issue being raised by the Internal Revenue Service during an examination.

(3) AUTHORITY TO WAIVE.—The Secretary of the Treasury or the Secretary’s delegate may waive the application of paragraph (1) to any taxpayer if the Secretary or the Secretary’s delegate determines that the use of any offshore financial arrangement is incidental to, or other related to such trade or business, or if the Secretary or the Secretary’s delegate determines that such offshore financial arrangement is of such a nature as to be utilized in a manner that minimizes the use of offshore financial arrangements in connection with any other such or other arrangement, or if the Secretary or the Secretary’s delegate determines that such underpayment is attributable to a remote influence in gross income under section 951(a)(1)(A)(i).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SEC. 1716. DOUBLING OF CERTAIN PENALTIES, FINES, AND INTEREST ON UNDERPAYMENTS RELATED TO CERTAIN OFFSHORE FINANCIAL ARRANGEMENTS.

(a) LIMITATION ON EXCEPTION FROM PFIC RULES FOR UNITED STATES SHAREHOLDERS OF CONTROLLED FOREIGN CORPORATIONS.—Paragraph (2) of section 1297(c) (relating to passive foreign investment company) is amended by adding at the end the following flush sentence:

“The term ‘passive foreign investment company’ means any foreign corporation which has 25 percent or more of its assets consisting of United States property.”

(b) EFFECTIVE DATE.—The amendment made by paragraph (a) shall apply to taxable years beginning after December 31, 2006.

SEC. 1717. FEDERAL ANNUAL TAX RETURN OF UNITED STATES CORPORATIONS.

(a) IN GENERAL.—Section 6041(a)(1) (relating to returns of corporations with respect to income of another person) is amended by—

(1) striking “The Secretary shall keep adequate records regarding amounts so retained and used. The amount credited as paid by any taxpayer shall be determined without regard to this paragraph.”

(c) REPORT BY SECRETARY.—The Secretary shall each year conduct a study and report to Congress on the implementation of this section during the preceding year, including statistics on the number of taxpayers affected by such implementation and the amount of any applicable penalty of interest, taxes, and fines, asserted, waived, and assessed during such preceding year.

(b) EFFECTIVE DATE.—The provisions of this section shall apply to interest, penalties, additions to tax, and fines with respect to any taxable year if, as of the date of the enactment of this Act, the assessment by the Secretary of any tax, penalty, or interest with respect to such taxable year is not prevented by the operation of any law or rule of law.

SEC. 1718. WHISTLEBLOWER REFORMS.

(a) IN GENERAL.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations other than information provided by the individual described in paragraph (1) resulting from a judicial or administrative hearing, from a governmental report, hearing, or investigation, or from the news media, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement or compromise to such action.

(b) NONAPPLICATION OF PARAGRAPH WHERE INDIVIDUAL IS ORIGINAL SOURCE OF INFORMATION.—Paragraph (a) shall not apply if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in this paragraph.

(c) REDUCTION IN OR DENIAL OF AWARD.—If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is based principally on information provided by an individual and initiated the actions that led to the underpayment of tax or actions described in subsection (a)(2), then the Whistleblower Office may appropriately reduce or deny such award. If such individual is convicted of criminal conduct arising from the role described in the preceding sentence, the Whistleblower Office shall disqualify such award.

(d) APPEAL OF AWARD DETERMINATION.—Any determination regarding an award under paragraph (1), (2), or (3) shall be subject to review by the Internal Revenue Service and the Tax Court under rules similar to the rules under section 7463 (without regard to the amount in dispute) and such review shall be subject to the rules under section 7461(b)(1).

(e) APPLICATION OF THIS SUBSECTION.—This subsection shall apply with respect to any action described in paragraph (1), (2), or (3).

(1) AGAINST ANY TAXPAYER, but in the case of any individual, only if such individual’s gross income exceeds $200,000 for any taxable years to which such action relates.

(2) If the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $20,000.

(f) ADDITIONAL RULES.—

(A) NO CONTRACT NECESSARY.—No contract with the Internal Revenue Service is
necessary for any individual to receive an award under this subsection.

“(B) REPRESENTATION.—Any individual described in paragraph (1) or (2) may be represented—

“(C) AWARD NOT SUBJECT TO INDIVIDUAL ALTERNATIVE MINIMUM TAX.—No award received under this subsection shall be included in gross income for purposes of determining alternative minimum taxable income.

“(c) WHISTLEBLOWER OFFICE.—

“(1) IN GENERAL.—There is established in the Internal Revenue Service an office to be known as the ‘Whistleblower Office’ which shall—

“(A) shall at all times operate at the direction of the Commissioner and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner.

“(B) shall analyze information received from any individual described in subsection (b) and either investigate the matter itself or assign it to the appropriate Internal Revenue Service office,

“(C) shall monitor any action taken with respect to such matter.

“(D) shall inform such individual that it has accepted the individual’s information for further review.

“(E) may require such individual and any legal representative of such individual to not disclose any information so provided,

“(F) in its sole discretion, may ask for additional assistance from such individual or any legal representative of such individual, and

“(G) shall determine the amount to be awarded to such individual under subsection (b).

“(2) FUNDING FOR OFFICE.—There is authorized to be appropriated $10,000,000 for each fiscal year beginning after June 22, 2005 for the Whistleblower Office.

“(a) IN GENERAL.—Any assistance requested under paragraph (1) shall be under the direction and control of the Whistleblower Office or the office assigned to investigate the matter under subparagraph (A).

“(b) REPORT BY SECRETARY.—The Secretary shall annually make a report to Congress on the use of this section, including—

“(1) an analysis of the use of this section during the preceding year and the results of such use, and

“(2) any legislative or administrative recommendations regarding the provisions of this section and its application.

“(b) EFFECTIVE DATE.—The amendments made by this subsection shall apply to information provided on or after the date of the enactment of this Act.

SEC. 1719. DENIAL OF DEDUCTION FOR CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

(a) IN GENERAL.—Subsection (f) of section 162 (relating to trade or business expenses) is amended to read as follows:

”(f) FINES, PENALTIES, AND OTHER AMOUNTS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), no deduction otherwise allowable shall be allowed by this chapter for any amount paid or incurred (whether by suit, agreement, or otherwise) to, or at the direction of, a government or entity described in subparagraph (4) in relation to the violation of any law or the investigation or inquiry by such government or entity into the potential violation of any law.

“(2) EXCEPTION FOR CONSTUTING RESTITUTION.—Paragraph (1) shall not apply to any amount which—

“(A) the taxpayer establishes constitutes restitution (including retribution of property) for damage or harm caused by or which may be caused by the violation of any law or the potential violation of any law, and

“(B) is identified as restitution in the court order or settlement agreement.

“(3) EXCEPTION FOR AMOUNTS PAID OR INCURRED AS THE RESULT OF CERTAIN COURT OR ARBITRATION PROCEEDINGS.—Paragraph (1) shall not apply to any amount paid or incurred by a court in a suit in which no government or entity described in paragraph (4) is a party.

“(4) CERTAIN NONGOVERNMENTAL REGULATORY ENTITIES.—An entity is described in this paragraph if it is—

“(A) a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) in connection with a qualified board or exchange (as defined in section 15B(c)(7)), or

“(B) to the extent provided in regulations, a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) as part of performing an essential governmental function.

“(5) EXCEPTION FOR TAXES DUE.—Paragraph (1) shall not apply to amounts paid or incurred as taxes.

“(b) EFFECTIVE DATE.—The amendments made by this subsection shall take effect—

“(1) Mark to Market.—The amount which, but for this subsection, would be taken into account for the taxable year of the sale, and

“(2) Reporting.—In the case of any gain or loss from such sale which is prevented by the operation of any law or rule of law, or

“(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the American Jobs Creation Act of 2004.

SEC. 1720. IMPOSING OF MARK-TO-MARKET TAX ON INDIVIDUALS WHO EXPATRIATE.

(a) IN GENERAL.—Subpart A of part II of chapter 1 is amended by inserting after section 877 the following new section:

“SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATES.

“(a) GENERAL RULES.—For purposes of this subtitle—

“(1) MARK TO MARKET.—Except as provided in subsections (d) and (f), all property of a covered person to whom this section applies shall be treated as sold on the day before the expiration date for its fair market value.

“(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

“(A) notwithstanding any other provision of this subtitle, any gain on such sale shall be taken into account for the taxable year of the sale, and

“(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to such any such loss.

“(b) EFFECTIVE DATE.—Except as provided in clause (ii) or (iii), in the case of any listed transactions made by this subsection (c) shall apply with respect to interest accruing on or before October 3, 2004.

“(C) PROCEDURE FOR CERTAIN LISTED TRANSACTIONS.—

“(1) IN GENERAL.—Except as provided in clause (ii) or (iii), in the case of any listed transaction, the amendments made by subsection (c) shall apply with respect to interest accruing on or before October 3, 2004.

“(2) PARTICIPANTS IN SETTLEMENT INITIATIVES.—Clause (i) shall not apply to a listed transaction if, as of May 9, 2005—

“(1) the taxpayer is participating in a published settlement initiative which is offered by the Secretary of the Treasury or his delegate to a group of similarly situated taxpayers claiming benefits from the listed transaction, or

“(2) the taxpayer has entered into a settlement agreement pursuant to such an initiative, with respect to which tax arising in connection with the listed transaction.

Subclause (i) shall not apply to the taxpayer if, on or before May 9, 2005, the taxpayer withdraws from, or terminates, participation in the initiative or the Secretary or his delegate determines that a settlement agreement will not be reached pursuant to the initiative within a reasonable period of time.

“(iii) CLOSED TRANSACTIONS.—Clause (i) shall not apply to a listed transaction if, as of May 9, 2005—

“(1) the assessment of all Federal income taxes for the taxable year in which the tax liability to which the interest relates arose is prevented by the operation of any law or rule of law, or

“(2) the closing agreement under section 7121 has been entered into with respect to the taxpayer arising in connection with the listed transaction.”.

“(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the enactment of the American Jobs Creation Act of 2004.
treated in the same manner as an amount required to be includible in gross income.

“(B) COST-OF-LIVING ADJUSTMENT. 

“(i) IN GENERAL.—In the case of an expatriation of any calendar year after 2005, the $600,000 amount under subparagraph (A) shall be increased by an amount equal to—

(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by subtracting calendar year 1992 in subparagraph (B) thereof.

“(ii) ROUNDED RULES.—If any amount after adjustment under this paragraph (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.

“(4) ELECTION TO CONTINUE TO BE TAXED AS UNITED STATES CITIZEN.—

“(A) IN GENERAL.—If a covered expatriate elects the application of this paragraph—

(i) this section (other than this paragraph and subsection (ii)) shall not apply to the expatriate, but

(ii) in the case of property to which this section would apply but for such election, the expatriate shall be subject to tax on the property to which this title in the same manner as if the individual were a United States citizen.

“(B) REQUIREMENTS.—Subparagraph (A) shall not apply to an individual unless the individual—

(i) provides security for payment of tax in such form and manner, and in such amount, as the Secretary may require,

(ii) consents to the waiver of any right of the individual under any treaty of the United States which would preclude assessment or collection of any tax which may be imposed by reason of this paragraph, and

(iii) complies with such other requirements as the Secretary may prescribe.

“(C) ELECTION.—An election under subparagraph (A) shall apply to all property to which this section would apply but for the election and, once made, is irrevocable. Such election shall also apply to the property of which the base of which is determined in whole or in part by reference to the property with respect to which the election was made.

“(b) ELECTION TO DEFER TAX.—

“(1) IN GENERAL.—If the taxpayer elects the application of this paragraph with respect to any property treated as sold by reason of subsection (a), the payment of the additional tax attributable to such property shall be postponed until the date fixed for the taxable year in which such property is disposed of (or, in the case of property disposed of in a transaction in which gain is not recognized, until the date of such transaction or, in part, until such other date as the Secretary may prescribe).

“(2) TERMINATION OF TAX WITH RESPECT TO PROPERTY.—For purposes of paragraph (1), the additional tax attributable to any property is an amount which bears the same ratio to the additional tax imposed by this chapter for the taxable year solely by reason of subsection (a) as the gain taken into account under subsection (a) with respect to such property bears to the total gain taken into account under subsection (a) with respect to all property to which subsection (a) applies.

“(3) TERMINATION OF POSTPONEMENT.—No tax may be postponed under this subsection later than the due date for filing of the return of tax imposed by this chapter for the taxable year which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

“(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided to the Secretary with respect to such property.

“(B) ADEQUATE SECURITY.—For purposes of subsection (a), such forms of security shall be deemed adequate—

(i) where the individual is a United States citizen or resident of the United States, security adequate if—

(A) the individual has a nonforfeitable interest in the property, or

(B) the individual has an enforceable security interest in the property or any interest in property not described in subparagraph (A), which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

(ii) if the individual is not a United States citizen or resident of the United States, security adequate if—

(A) the individual is a covered expatriate if

(i) the individual ceases to be a lawful permanent resident of the United States, or

(B) the individual has a nonforfeitable interest in the property, or

(C) the individual has an enforceable security interest in the property or any interest in property not described in subparagraph (A), which includes the date of death of the expatriate (or, if earlier, the time that the security provided with respect to the property fails to meet the requirements of paragraph (4), unless the taxpayer corrects such failure within the time specified by the Secretary).

“(4) SECURITY.—Security shall be treated as adequate if—

(i) it is a bond in an amount equal to the deferred tax amount under paragraph (2) for the property, or

(ii) the taxpayer otherwise establishes to the satisfaction of the Secretary that the security is adequate.

“(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) unless the taxpayer waives all rights under any treaty of the United States which would preclude assessment or collection of any tax imposed by reason of this section.

“(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a property or interest in property not described in subparagraph (A) therefor.

“(C) ELECTION.—For purposes of this section—

“(1) IN GENERAL.—Except as provided in paragraph (2), the term ‘covered expatriate’ means an expatriate.

“(2) EXCEPTIONS.—An individual shall not be treated as a covered expatriate if—

(A) the individual—

(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

(ii) has not been a resident of the United States (as defined in section 7701(b)(1A)(ii)) during the 5 taxable years ending with the taxable year during which the expatriation date occurs, or

(B) (i) the individual’s relinquishment of United States citizenship occurs before such individual attains age 18, and

(ii) the individual has been a resident of the United States (as so defined) for not more than 5 taxable years before the date of relinquishment.

“(d) EXCISE PROPERTY.—Special Rules for Pension Plans.—

“(1) EXCISE PROPERTY.—This section shall not apply to the following:

(A) UNITED STATES REAL PROPERTY INTERESTS.—Any real property interest of a United States real property interest in (as defined in section 896(c)(1)), other than stock of a United States real property holding corporation which does not, on the date of the expatriation date, meet the requirements of section 896(c)(2).

(B) SPECIFIED PROPERTY.—Any property or interest in property not described in subparagraph (A) which the Secretary specifies in regulations.

“(2) SPECIAL RULES FOR CERTAIN RETIREMENT PLANS.—

(A) IN GENERAL.—If a covered expatriate holds on the day before the expatriation date any interest in a retirement plan to which this paragraph applies—

(i) such interest shall not be treated as sold for purposes of subsection (a)(1), but

(ii) an amount equal to the present value of the expatriate’s nonforfeitable accrued benefit attributable to such interest having been received by such individual on such date as a distribution under the plan.

“(B) TREATMENT OF SUBSEQUENT DISTRIBUTIONS.—In the case of any distribution on or after the expatriation date to or on behalf of the covered expatriate from a plan which the expatriate was treated of receiving a distribution under subparagraph (A), the amount otherwise includable in gross income by reason of the subsequent distribution shall be reduced by the amount includable in gross income under subparagraph (A) over any portion of such amount to which this subparagraph previously applied.

“(C) TREATMENT OF SUBSEQUENT DISTRIBUTIONS BY PLAN.—For purposes of this title, a retirement plan to which this paragraph applies, and any person acting in reliance thereon, shall treat an amount distribution described in subparagraph (B) in the same manner as such distribution would be treated without regard to this paragraph.

“(D) APPLICABLE PLANS.—This paragraph shall apply to—

(i) any qualified retirement plan (as defined in section 4975(c)), and

(ii) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(b)(1A), and

(iii) the extent provided in regulations, any foreign pension plan or similar retirement arrangements or programs.

“(e) DEFINITIONS.—For purposes of this section—

“(1) EXPATRIATE.—The term ‘expatriate’ means—

(A) any United States citizen who relinquishes citizenship, and

(B) any long-term resident of the United States who—

(i) ceases to be a lawful permanent resident of the United States (within the meaning of section 7701(b)(6)), or

(ii) commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country and who does not waive the benefits of such treaty applicable to residents of the foreign country.

“(2) EXPATRIATION DATE.—The term ‘expatriation date’ means—

(A) the date an individual relinquishes United States citizenship, or

(B) in the case of a long-term resident of the United States, the date of the event described in clause (i) or (ii) of paragraph (1)(B).

“(3) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing United States citizenship on the first of—

(A) the date the individual renounces such individual’s United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)-(4)), or

(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the individual furnishing a certificate of loss of nationality by the United States Department of State.
made for liabilities of the trust allocable to having recontributed the assets to the separate trust as of such time, and as having distributed all of its assets to the individual as of such time,

(iii) the individual shall be treated as having contributed the assets to the separate trust.

Subsection (a)(2) shall apply to any income, gain, or loss of the individual arising from a distribution described in subparagraph (C)(ii). In determining the amount of such distribution, such distributions shall be made for liabilities of the trust allocable to an individual’s share in the trust.

(b) General Rules for Interests in Qualified Trusts.

(A) In General.—If the trust interest described in paragraph (1) is a qualified trust,

(i) paragraph (1) and subsection (a) shall not apply, and

(ii) in addition to any other tax imposed by this chapter, there shall be imposed on each distribution with respect to such interest a tax in the amount determined under subparagraph (B).

(B) Amount of Tax.—The amount of tax under subparagraph (A)(i) shall be equal to the lesser of—

(i) the highest rate of tax imposed by section 1(e) for the taxable year which includes the day before the expiration date, multiplied by the amount of the distribution, or

(ii) the balance in the deferred tax account with respect to such interest, which shall be determined without regard to any increases under subparagraph (C)(ii) after the 30th day preceding the distribution.

(C) DEFERRED TAX ACCOUNT.—For purposes of subparagraph (B)(i)—

(i) OPENING BALANCE.—The opening balance in a deferred tax account with respect to any interest is an amount equal to the tax which would have been imposed on the allocable expatriation gain with respect to the trust interest if such gain had been included in gross income under subsection (a).

(ii) INCREASE FOR INTEREST.—The balance in the deferred tax account shall be increased by the amount of interest determined before the distribution determined without regard to any increases under subparagraph (C)(ii) after the 30th day preceding the distribution.

(iii) DECREASE FOR TAXES PREVIOUSLY PAID.—The balance in the tax deferred account shall be reduced—

(A) by the amount of taxes imposed by subparagraph (A) on any distribution to the person holding the trust interest, and

(B) in the case of a person holding a nonvested interest, to the extent provided in paragraph (1), the regulations, by the amount of taxes imposed by subparagraph (A) on distributions from the trust with respect to nonvested interests not held by such person.

(D) Allocable Expatriation Gain.—For purposes of this paragraph, the allocable expatriation gain with respect to any beneficiary’s interest in a trust is the amount of gain which would be allocable to such beneficiary’s vested and nonvested interests in the trust if the trusts held by the trustees held all assets allocable to such interests.

(E) Tax Deduced and Withheld.—

(i) In General.—The tax imposed by subparagraph (A)(i) shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax, and

(ii) any other beneficiary of the trust shall be entitled to recover from the distributee the amount of such tax imposed on the other beneficiary.

(F) Disposition.—If a trust ceases to be a qualified trust at any time, a covered expatriate disposes of an interest in a qualified trust after holding an interest in a qualified trust dies, then, in lieu of the tax imposed by subparagraph (A)(i), there is hereby imposed a tax equal to the lesser of—

(i) the tax determined under paragraph (1) as if the day before the expiration date were the date of such cessation, disposition, or death, whichever is applicable, or

(ii) the balance in the tax deferred account immediately before such date.

Such tax shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax and any other beneficiary of the trust shall be entitled to recover from the covered expatriate the estate the amount of such tax imposed on the other beneficiary.

(G) Definitions and Special Rules.—For purposes of this paragraph—

(i) QUALIFIED TRUST.—The term ‘qualified trust’ means a trust which is described in section 7701(a)(30)(E).

(ii) VESTED INTEREST.—The term ‘vested interest’ means the interest, which, as of the day before the expiration date, is vested in the beneficiary.

(iii) NONVESTED INTEREST.—The term ‘nonvested interest’ means, with respect to any beneficiary, any interest in a trust which is not a vested interest. Such interest shall be determined by assuming the maximum exercise of discretion in favor of the beneficiary and the occurrence of all contingencies in favor of the beneficiary.

(IV) ADJUSTMENTS.—The Secretary may provide for adjustments to the basis of assets in a trust or a deferred tax account, and the timing of such adjustments, in order to ensure that gain is taxed only once.

(V) COORDINATION WITH RETIREMENT PLAN RULES.—This subsection shall not apply to an interest in a trust which is part of a retirement plan to which subsection (d)(2) applies.

(VI) Determination of Beneficiaries’ Interest in Trust.

(A) Determinations under Paragraph (1).—The determination of beneficiaries’ interest in a trust shall be based upon all relevant facts and circumstances, including the terms of the trust instrument and any other document, and the understanding, historical patterns of trust distributions, and the existence of and functions performed by a trust protector or any similar adviser.

(B) OTHER DETERMINATIONS.—For purposes of this section—

(i) the methodology used to determine that taxpayer’s trust interest under this section, and

(ii) if the taxpayer knows (or has reason to know) that any other beneficiary of such trust is using a different methodology to determine such beneficiary’s trust interest under this section.

(G) Termination of Deferrals, Etc.—In the case of any covered expatriate, notwithstanding any other provision of this title—

(i) any period during which recognition of income or gain is deferred shall terminate on the day before the expiration date, and

(ii) any extension of time for payment of tax shall cease to apply on the day before the expiration date and the unpaid portion of the tax shall be due and payable at the time and in the manner prescribed by the Secretary.

(H) Imposition of Tentative Tax.—

(i) In General.—If an individual is required to include any amount in gross income under subsection (a) for any taxable year, there is hereby imposed, immediately before the expiration date, a tax in an amount equal to the amount of tax which would be imposed if the taxable year were a short taxable year ending on the expiration date.

(ii) Due Date.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expiration date.

(3) Treatment of Tax.—Any tax paid under paragraph (1) shall be treated as a payment of the tax imposed by this chapter for the taxable year to which subsection (a) applies.

(4) Deferral of Tax.—The provisions of subsection (b) shall apply to the tax imposed by this subsection to the extent attributable to gain includable in gross income by reason of this section.

(i) Special Liens for Deferred Tax Amounts.

(A) Imposition of Lien.—

(i) In General.—If a covered expatriate makes an election under subsection (a)(4) or (b) which results in the deferral of any tax imposed by reason of subsection (a), the deferred amount (including any interest, additional amount, addition to tax, assessable penalty, and costs attributable to the deferred amount) shall be a lien in favor of the United States on all property of the expatriate located in the United States (without regard to whether this section applies to the property).

(ii) Deferred Amount.—For purposes of this subsection, the deferred amount is the amount of the increase in the covered expatriate’s income tax which, but for the election under subsection (a)(4) or (b), would have occurred by reason of this section for the taxable year including the expiration date.

(2) Period of Lien.—The lien imposed by this subsection shall arise on the expatriation date, and continue until satisfied by—

(A) the liability for tax by reason of this section is satisfied or has become unenforceable by reason of lapse of time, or

(B) it is established to the satisfaction of the Secretary that no further tax liability may arise by reason of this section.
"(3) CERTAIN RULES APPLY.—The rules set forth in paragraphs (1), (3), and (4) of section 6321A(d) shall apply with respect to the lien imposed by this subsection as if it were a lien imposed by section 6321A.

"(j) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

(b) INCLUSION IN INCOME OF GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM COVERED EXPATRIATES.—Section 102 (relating to gifts, etc. not included in gross income) is amended by adding at the end the following new subsection:

"(d) GIFT TAX FROM COVERED EXPATRIATES.—

"(1) IN GENERAL.—Subsection (a) shall not exclude from the value of any property acquired by gift, bequest, devise, or inheritance from a covered expatriate after the expatriation date. For purposes of this subsection, any term used in this subsection which is also used in section 877A shall have the same meaning as when used in section 877A.

"(2) EXCEPTIONS FOR TRANSFERS OTHERWISE SUBJECT TO ESTATE OR GIFT TAX.—Paragraph (1) shall not apply to any property if either—

"(A) the gift, bequest, devise, or inheritance is—

"(i) shown on a timely filed return of tax imposed by chapter 22 as a taxable gift by the covered expatriate, or

"(ii) included in the gross estate of the covered expatriate for purposes of chapter 11 and shown on a timely filed return of tax imposed by chapter 11 of the estate of the covered expatriate;

"(B) no such return was timely filed but no such return would have been required to be filed even if the covered expatriate were a citizen or long-term resident of the United States.

"(c) DEFINITION OF TERMINATION OF UNITED STATES CITIZENSHIP.—Section 7701(a) is amended by adding at the end the following new paragraph:

"(49) TERMINATION OF UNITED STATES CITIZENSHIP.—

"(A) In general.—An individual shall not cease to be treated as a United States citizen before the date on which the individual’s citizenship is treated as relinquished under section 877B (relating to loss of citizenship).

"(B) Dual citizens.—Under regulations prescribed by the Secretary, subparagraph (A) shall apply to an individual who became a citizen of the United States and a citizen of another country.

"(d) INELIGIBILITY FOR VISA OR ADMITTANCE TO UNITED STATES.—

"(1) IN GENERAL.—Section 212(a)(10)(E) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)(E)) is amended to read as follows:

"(E) noncitizens not in compliance with expatriation revenue provisions.—Any alien who is a former citizen of the United States who relinquishes United States citizenship (within the meaning of section 877A(e) of the Internal Revenue Code of 1986, and as added by this subsection) whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

"(2) GIFTS AND REQUESTS.—Section 102(d) of the Internal Revenue Code of 1986 (as added by subsection (b)) shall apply to gifts and bequests received on or after the date of the enactment of this Act.

"(3) DUE DATE FOR TENTATIVE TAX.—The due date under section 867(a)(2) of the Internal Revenue Code of 1986, as added by this section, shall in no event occur before the 90th day after the date of the enactment of this Act.

SEC. 1723. DISALLOWANCE OF DEDUCTION FOR PUNITIVE DAMAGES.

(a) DISALLOWANCE OF DEDUCTION.—

"(1) IN GENERAL.—Section 162(g) (relating to deduction of losses, etc. for punitive damages) is amended by adding after the item relating to section 877 the following new subsection:

"(f) DISALLOWANCE OF DEDUCTION FOR punitive damages.—No deduction shall be allowed for punitive damages in connection with any judgment in, or settlement of, any action. This paragraph shall not apply to punitive damages described in section 109(c).

"(2) PUNITIVE DAMAGES.—No deduction shall be allowed for punitive damages paid by insurer or otherwise.

"(3) CONFORMING AMENDMENT.—The heading for section 162(g) is amended by inserting ‘‘in connection with any judgment in, settlement of, any action. This paragraph shall not apply to punitive damages described in section 109(c).’’

(b) INCLUSION IN INCOME OF PUNITIVE DAMAGES PAID BY INSURER OR OTHERWISE.—

"(1) IN GENERAL.—Part II of chapter 1 (relating to items specifically included in gross income) is amended by adding at the end the following new section: SEC. 91. PUNITIVE DAMAGES COMPENSATION.—

"(2) INELIGIBILITY FOR VISA OR ADMITTANCE TO UNITED STATES.—

"(3) In general.—The amendment made by this subsection applies to any expatriate subject to section 877A.

"(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to any expatriate whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

SEC. 1724. APPLICATION OF EARNINGS STRIPPING RULES TO PARTNERS WHICH ARE C CORPORATIONS.

(a) IN GENERAL.—Section 49(b) (relating to limitation on deduction of any other amount as the Secretary determines) is amended by adding at the end the following new paragraph:

"(6) ALLOCATIONS TO CERTAIN CORPORATE PARTNERS.—If a C corporation is a partner in a partnership whose corporation’s allocable share of indebtedness and interest income of the partnership shall be taken into account in applying this subsection to the corporation, and

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning on or after the date of the enactment of this Act.

SEC. 1725. PROHIBITION ON DEFERRAL OF GAIN FROM THE EXERCISE OF STOCK OPTIONS OR OTHER RESTRICTED STOCK GAINS THROUGH COMPENSATION ARRANGEMENTS.

(a) IN GENERAL.—Section 83 (relating to property transferred in connection with performance of services) is amended by adding at the end the following new subsection:

"(i) PROHIBITION ON ADDITIONAL DEFERRAL THROUGH COMPENSATION ARRANGEMENT.—Upon the receipt of an option to purchase employer securities—

"(A) to which subsection (a) applies, or

"(B) which is described in subsection (e)(3), or

(b) employer securities or any other property based on employer securities transferred for a right to receive future payments, then, notwithstanding any other provision of this title, there shall be included in gross income for Federal income tax purposes an amount equal to the present value of such right (or such other amount as the Secretary by regulations specifies for purposes of this section, the definition of ‘‘employers’’ includes any security issued by the employer.)."
(b) Controlled Group Rules.—Section 241(b)(2) is amended by inserting "831(b), after "79,".

273. Termination of installment agreements.—(a) In General.—Section 6159(b)(4) (relating to failure to make payments or deposits or to provide financial information when due and to pay tax liability when due) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (B), and by inserting after subparagraph (B) the following:

"(C) to make a Federal tax deposit under section 6322 after the time such deposit is required to be made.

(D) to file a return of tax imposed under this title by its due date (including extensions), or.

(b) Conforming Amendments.—The heading for section 6159(b)(4) is amended by striking "FAILURE TO PAY AN INSTALLMENT OR ANY OTHER TAX LIABILITY WHEN DUE OR TO PROVIDE REQUESTED FINANCIAL INFORMATION" and inserting "FAILURE TO MAKE PAYMENTS OR DEPOSITS OR FILE RETURNS WHEN DUE OR TO PROVIDE REQUESTED FINANCIAL INFORMATION".

(c) Effective Date.—The amendments made by this section shall apply to failures occurring on or after the date of the enactment of this Act.

274. Waiver of user fee for installment agreements using auto-checks and money orders.—(a) In General.—Section 6159 (relating to user fees) is amended by striking the last sentence.

(b) Effective Date.—The amendments made by this section shall apply to failures occurring on or after the date of the enactment of this Act.

275. Increase in penalty for bad checks and money orders.—(a) In General.—Section 6657 (relating to bad checks) is amended—

(1) by striking "$750" and inserting "$2,500" and (2) by striking "$15" and inserting "$25".

(b) Effective Date.—The amendments made by this section apply to checks or money orders received after the date of the enactment of this Act.

276. Elimination of double deduction on mining exploration and development costs under the minimum tax.—(a) In General.—Section 51(a)(1) (relating to the double deduction for the taxable year) is amended—

(1) by striking "$750" and inserting "$2,500" and (2) by striking "$15" and inserting "$25".

(b) Effective Date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

PART II—IMPROVEMENTS IN EFFICIENCY AND SAFEGUARDS IN INTERNAL REVENUE SERVICE COLLECTION

271. Waiver of user fee for installment agreements using automated withdrawal methods.—(a) In General.—Section 6159 (relating to agreements for payment of tax liability in installments) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following:

"(e) Waiver of User Fees for Installment Agreements Using Automated Withdrawals.—(1) A taxpayer may submit to an Internal Revenue Service officer an installment agreement in which automated installment payments are agreed to, the Secretary shall waive the fee (if any) for entering into the installment agreement.

(2) Effective Date.—The amendments made by this section shall apply to agreements made in or after the date which is 180 days after the date of the enactment of this Act.
SEC. 1701. AMENDMENT OF 1986 CODE.
Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Tax Incentives

SEC. 1701. ALTERNATIVE MOTOR VEHICLE CREDIT.
(a) In general.—Subpart B of part IV of subchapter A of chapter 1 relating to foreign tax credit, etc. is amended by adding at the end the following:

"(c) REPORT OF NATIONAL TAXPAYER ADVOCATE.—
(1) IN GENERAL.—Clause (ii) of section 7803(c)(2)(B) (relating to annual reports) is amended by striking "and" at the end of subclause (X) and redesignating subclause (XI) as subclause (XII), and by inserting after subclause (X) the following new subclause:
"(XI) a list of the factors taxpayers have raised to support their claims for offers-in-compromise relief, the number of such offers submitted, accepted, and rejected, the number of such offers appealed, the period during which review of such offers have remained pending, and the efforts the Internal Revenue Service has made to correctly identify such offers, including the training of employees in identifying and evaluating such offers."
(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to reports in calendar year 2006 and thereafter.

SA 930. Mr. LEVIN (for himself and Mr. BAYH) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end add the following:

TITLE XVII—TAX INCENTIVES FOR ALTERNATIVE MOTOR VEHICLES AND FUELS

SEC. 1702. ALTERNATIVE MOTOR VEHICLE CREDITS.
(a) In general.—For purposes of purposes of subparagraph (A), the term 'vehicle inertia weight class' shall be defined as follows:

"(1) The credit amount determined under section (b) with respect to such vehicle is $1,000, if such vehicle achieves at least 125 percent but less than 200 percent of the 2002 model year city fuel economy;
"(2) At least 150 percent but less than 225 percent of the 2002 model year city fuel economy, the amount determined is increased by $2,500, if such vehicle achieves at least 225 percent but less than 250 percent of the 2002 model year city fuel economy;
"(3) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(4) $10,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(5) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(6) $15,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(7) At least 150 percent but less than 200 percent of the 2002 model year city fuel economy, the amount determined is increased by $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(8) $10,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(9) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(10) $15,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(11) At least 150 percent but less than 200 percent of the 2002 model year city fuel economy, the amount determined is increased by $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(12) $10,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(13) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(14) $15,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(15) At least 150 percent but less than 200 percent of the 2002 model year city fuel economy, the amount determined is increased by $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(16) $10,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(17) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(18) $15,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(19) At least 150 percent but less than 200 percent of the 2002 model year city fuel economy, the amount determined is increased by $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(20) $10,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(21) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(22) $15,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(23) At least 150 percent but less than 200 percent of the 2002 model year city fuel economy, the amount determined is increased by $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(24) $10,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(25) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(26) $15,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy;
"(27) At least 150 percent but less than 200 percent of the 2002 model year city fuel economy, the amount determined is increased by $2,500, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(28) $10,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy;
"(29) At least 250 percent but less than 300 percent of the 2002 model year city fuel economy, the amount determined is increased by $5,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy; and
"(30) $15,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy."

"(b) NEW QUALIFIED FUEL CELL MOTOR VEHICLE.—For purposes of this subsection, the term 'new qualified fuel cell motor vehicle' means a motor vehicle which is propelled by power derived from 1 or more cells which convert chemical energy directly into electricity by combining oxygen with hydrogen fuel which is stored on board the vehicle in any form and may or may not require reformation prior to use.

"(c) The original use of which commences with the taxpayer,
"(D) which is acquired for use or lease by the taxpayer and not for resale, and
"(E) which is made by a manufacturer.

"(c) NEW ADVANCED LEAN BURN TECHNOLOGIES FOR ALTERNATIVE MOTOR VEHICLE CREDIT.—
(1) IN GENERAL.—For purposes of subsection (a), the new advanced lean burn technology motor vehicle credit determined under this subsection with respect to a new advanced lean burn technology motor vehicle placed in service by the taxpayer during the taxable year is the credit amount determined under paragraph (2).

"(2) CREDIT AMOUNT.—
(A) FUEL ECONOMY.—
(i) In general.—For purposes of subparagraph (A), the term 'fuel economy (expressed as a percentage of the 2002 model year city fuel economy) of'—

At least 125 percent but less than 150 percent ........................................ $900
At least 150 percent but less than 175 percent ......................................... $1,100
At least 175 percent but less than 200 percent ........................................ $1,600
At least 200 percent but less than 225 percent ........................................ $2,100
At least 225 percent but less than 250 percent ........................................ $2,600
At least 250 percent ..................................................... $3,100.

(ii) 2002 model year city fuel economy.—For purposes of clause (i), the 2002 model year city fuel economy with respect to a vehicle shall be determined on a gasoline gallon equivalent basis as determined by the Administrator of the Environmental Protection Agency using the tables provided in subsection (b)(2)(B) with respect to such vehicle.
"(B) CONSERVATION CREDIT.—The amount determined under subparagraph (A) with respect to a new advanced lean burn technology motor vehicle shall be increased by

"(C) VEHICLE INERTIA WEIGHT CLASS.—For purposes of subparagraph (B), the term 'vehicle inertia weight class' has the same meaning as when defined in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7522 et seq.)."
the conservation credit amount determined in accordance with the following table:

<table>
<thead>
<tr>
<th>In the case of a vehicle which achieves a lesser fuel savings (expressed in gallons of gasoline) of—</th>
<th>The conservation credit amount is—</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least 1,200 but less than 1,800</td>
<td>$700</td>
</tr>
<tr>
<td>At least 1,800 but less than 2,400</td>
<td>$1,200</td>
</tr>
<tr>
<td>At least 2,400 but less than 3,000</td>
<td>$1,700</td>
</tr>
<tr>
<td>At least 3,000</td>
<td>$2,200.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(3)</th>
<th>OPTION TO USE LIKE VEHICLE.—At the option of the vehicle manufacturer, the increase in fuel economy and conservation credit may be calculated by comparing the new qualified advanced lean burn technology motor vehicle to a like vehicle.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(B)</td>
<td>NEW ADVANCED LEAN BURN TECHNOLOGY MOTOR VEHICLE.—For purposes of this subsection, the term ‘new advanced lean burn technology motor vehicle’ means a passenger automobile or a light truck—</td>
</tr>
<tr>
<td>(A)</td>
<td>with an internal combustion engine which—</td>
</tr>
<tr>
<td>(i)</td>
<td>is designed to operate primarily using more air than is necessary for complete combustion of the fuel, and</td>
</tr>
<tr>
<td>(ii)</td>
<td>incorporates direct injection,</td>
</tr>
<tr>
<td>(iii)</td>
<td>achieves at least 125 percent of the 2002 model year fuel economy, and</td>
</tr>
<tr>
<td>(iv)</td>
<td>for 2001 and later model vehicles, has received a certificate that such vehicle meets or exceeds the following amounts:</td>
</tr>
<tr>
<td>(A)</td>
<td>in the case of a vehicle having a gross vehicle weight rating of 6,000 pounds or less, the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle, and</td>
</tr>
<tr>
<td>(B)</td>
<td>in the case of a vehicle having a gross vehicle weight rating of more than 6,000 but not more than 8,500 pounds, the Bin 5 Tier II emission standard which is so established,</td>
</tr>
<tr>
<td>(B)</td>
<td>INCENTIVE COST.—For purposes of this paragraph, the incremental cost of any new qualified hybrid motor vehicle is equal to the amount of the excess of the manufacturer’s incremental cost for such vehicle over such price for a comparable gasoline or diesel fuel motor vehicle of the same model, to the extent such amount does not exceed—</td>
</tr>
<tr>
<td>(A)</td>
<td>$7,500, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds, and</td>
</tr>
<tr>
<td>(B)</td>
<td>$15,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and</td>
</tr>
<tr>
<td>(C)</td>
<td>$30,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.</td>
</tr>
<tr>
<td>(C)</td>
<td>APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage determined under this paragraph is an amount equal to the applicable percentage of the incremental cost of such vehicle placed in service by the taxpayer during the taxable year.</td>
</tr>
<tr>
<td>(D)</td>
<td>IN GENERAL.—In the case of a new qualified hybrid motor vehicle, the credit amount determined under this paragraph is the amount which achieves at least 10 percent, and</td>
</tr>
<tr>
<td>(E)</td>
<td>more than 8,500 but not more than 14,000 pounds, has a maximum available power of at least 10 percent, and</td>
</tr>
<tr>
<td>(F)</td>
<td>having a gross vehicle weight rating of more than 14,000 pounds, has a maximum available power of at least 15 percent, and</td>
</tr>
<tr>
<td>(G)</td>
<td>the original use of which commences with the taxpayer,</td>
</tr>
<tr>
<td>(H)</td>
<td>which is acquired for use or lease by the taxpayer and not for resale, and</td>
</tr>
<tr>
<td>(I)</td>
<td>which is made by a manufacturer.</td>
</tr>
<tr>
<td>(B)</td>
<td>CONSUMABLE FUEL.—For purposes of subparagraph (A)(i)(I), the term ‘consumable fuel’ means any solid, liquid, or gaseous matter which releases energy when consumed by an auxiliary power unit.</td>
</tr>
<tr>
<td>(C)</td>
<td>MAXIMUM AVAILABLE POWER.—For purposes of subparagraph (A)(i)(II), the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by such maximum power and the SAE net power of the vehicle.</td>
</tr>
<tr>
<td>(IV)</td>
<td>(B) HYDROGEN FUELED.—For purposes of subparagraph (A)(iii), the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by such maximum power and the SAE net power of the vehicle, except that if such storage system is the sole means by which the vehicle can be driven, the total traction power is the peak power of such storage system.</td>
</tr>
<tr>
<td>(IV)</td>
<td>ALLOWANCE OF CREDIT.—Except as provided in paragraph (5), no credit shall be allowed for the incremental cost of any new qualified alternative fuel motor vehicle placed in service by the taxpayer during the taxable year.</td>
</tr>
<tr>
<td>(V)</td>
<td>APPLICABLE PERCENTAGE.—For purposes of paragraph (4), the applicable percentage with respect to any new qualified alternative fuel motor vehicle is—</td>
</tr>
<tr>
<td>(A)</td>
<td>50 percent, plus</td>
</tr>
<tr>
<td>(B)</td>
<td>30 percent, if such vehicle—</td>
</tr>
<tr>
<td>(i)</td>
<td>has a gross vehicle weight rating of 6,000 pounds or less, has received a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle, and</td>
</tr>
<tr>
<td>(ii)</td>
<td>has a gross vehicle weight rating of more than 8,500 but not more than 14,000 pounds, has received a certificate that such vehicle meets or exceeds the Bin 8 Tier II emission standard which is so established,</td>
</tr>
<tr>
<td>(iii)</td>
<td>has received an order certifying the vehicle as meeting the requirements which may be sold or leased in California and meets or exceeds the most stringent standard available for certification under the State laws enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act for that California low emission vehicle standard under section 245(e)(2) of the Clean Air Act for that make and model year, and</td>
</tr>
<tr>
<td>(IV)</td>
<td>has a maximum available power of at least 5 percent.</td>
</tr>
<tr>
<td>(V)</td>
<td>(III) which, in the case of a heavy duty hybrid motor vehicle—</td>
</tr>
<tr>
<td>(I)</td>
<td>having a gross vehicle weight rating of more than 8,500 but not more than 26,000 pounds, has a maximum available power of at least 10 percent, and</td>
</tr>
<tr>
<td>(II)</td>
<td>having a gross vehicle weight rating of more than 14,000 pounds, has a maximum available power of at least 15 percent, and</td>
</tr>
<tr>
<td>(IV)</td>
<td>the original use of which commences with the taxpayer,</td>
</tr>
<tr>
<td>(V)</td>
<td>which is acquired for use or lease by the taxpayer and not for resale, and</td>
</tr>
<tr>
<td>(VI)</td>
<td>which is made by a manufacturer.</td>
</tr>
<tr>
<td>(B)</td>
<td>CONSUMABLE FUEL.—For purposes of subparagraph (A)(i)(I), the term ‘consumable fuel’ means any solid, liquid, or gaseous matter which releases energy when consumed by an auxiliary power unit.</td>
</tr>
<tr>
<td>(C)</td>
<td>MAXIMUM AVAILABLE POWER.—For purposes of subparagraph (A)(i)(II), the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by such maximum power and the SAE net power of the vehicle.</td>
</tr>
<tr>
<td>(II)</td>
<td>(II) heavy duty hybrid motor vehicle.—For purposes of subparagraph (A)(iii), the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by the vehicle’s total traction power. The term ‘total traction power’ means the sum of the peak power from the rechargeable energy storage system and the heat engine peak power of the vehicle, except that if such storage system is the sole means by which the vehicle can be driven, the total traction power is the peak power of such storage system.</td>
</tr>
<tr>
<td>(IV)</td>
<td>(B) HYDROGEN FUELED.—For purposes of subparagraph (A)(iii), the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by the vehicle’s total traction power. The term ‘total traction power’ means the sum of the peak power from the rechargeable energy storage system and the heat engine peak power of the vehicle, except that if such storage system is the sole means by which the vehicle can be driven, the total traction power is the peak power of such storage system.</td>
</tr>
<tr>
<td>(IV)</td>
<td>ALLOWANCE OF CREDIT.—Except as provided in paragraph (5), no credit shall be allowed for the incremental cost of any new qualified alternative fuel motor vehicle placed in service by the taxpayer during the taxable year.</td>
</tr>
<tr>
<td>(V)</td>
<td>APPLICABLE PERCENTAGE.—For purposes of paragraph (4), the applicable percentage with respect to any new qualified alternative fuel motor vehicle is—</td>
</tr>
<tr>
<td>(A)</td>
<td>50 percent, plus</td>
</tr>
<tr>
<td>(B)</td>
<td>30 percent, if such vehicle—</td>
</tr>
<tr>
<td>(i)</td>
<td>has received a certificate of conformity under the Clean Air Act and meets or exceeds the most stringent standard available for certification under the Clean Air Act for that make and model year vehicle (other than a zero emission standard), and</td>
</tr>
<tr>
<td>(ii)</td>
<td>has received an order certifying the vehicle as meeting the requirements which may be sold or leased in California and meets or exceeds the most stringent standard available for certification under the State laws enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act for that California low emission vehicle standard under section 245(e)(2) of the Clean Air Act for that make and model year, and</td>
</tr>
<tr>
<td>(IV)</td>
<td>has a maximum available power of at least 5 percent.</td>
</tr>
</tbody>
</table>
make and model year vehicle (other than a zero emission standard).

For purposes of the preceding sentence, in the case of any new qualified alternative fuel motor vehicle which weighs more than 14,000 pounds but not more than 26,000 pounds, the tax rate applying to the most stringent standard available shall be such standard available for certification on the date of the enactment of the Energy Tax Incentives Act.

(3) INCREMENTAL COST.—For purposes of this subsection, the incremental cost of any new qualified alternative fuel motor vehicle is equal to the amount of the excess of the manufacturer's suggested retail price for such vehicle over such price for a gasoline or diesel motor vehicle of the same model, to the extent such amount does not exceed—

(A) $5,000, if such vehicle has a gross vehicle weight rating of not more than 5,800 pounds,

(B) $10,000, if such vehicle has a gross vehicle weight rating of more than 5,800 pounds but not more than 14,000 pounds,

(C) $20,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

(D) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

(4) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE.—For purposes of this subsection—

(A) IN GENERAL.—The term 'new qualified alternative fuel motor vehicle' means any motor vehicle—

(i) which is only capable of operating on an alternative fuel,

(ii) the original use of which commences with the taxpayer,

(iii) which is acquired by the taxpayer for use or lease, but not for resale, and

(iv) which is made by a manufacturer.

(B) ALTERNATIVE FUEL.—The term 'alternative fuel' means compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, and any liquid at least 85 percent of the volume of which consists of methanol.

(5) CREDIT FOR MIXED-FUEL VEHICLES.—

(A) IN GENERAL.—In the case of a mixed-fuel vehicle placed in service by the taxpayer during the taxable year, the credit determined under this subsection is an amount equal to—

(i) in the case of a 75/25 mixed-fuel vehicle, 70 percent of the credit which would have been allowed under this subsection if such vehicle had been a qualified alternative fuel motor vehicle, and

(ii) in the case of a 90/10 mixed-fuel vehicle, 90 percent of the credit which would have been allowed under this subsection if such vehicle had been a qualified alternative fuel motor vehicle.

(6) PHASEOUT PERIOD.—For purposes of this subsection, the phaseout period is the period beginning with the second calendar quarter following the calendar quarter which includes the first date on which the number of qualified vehicles manufactured by the manufacturer referred to in paragraph (1) sold for use in the United States after the date of the enactment of this Act is equal to the number of qualified vehicles sold for use in the United States after the date of the enactment of title II of the Clean Air Act (42 U.S.C. 7521 et seq.).

(7) REDUCTION IN BASIS.—For purposes of this subsection, the basis of any property which is subject to the credit determined under subsection (a) shall be reduced by the amount of such credit so allowed (determined without regard to subsection (e)).

(8) DOUBLE BENEFIT.—The amount of any deduction or other credit allowable under this chapter—

(A) for any incremental cost taken into account in computing the amount of the credit determined under subsection (e) shall be reduced by the amount of such credit attributable to such cost, and

(B) with respect to a motor vehicle described under subsection (b), (c), or (d) shall be reduced by the amount of credit allowed under subsection (a) for such vehicle for the taxable year.

(9) PROPERTY USED BY TAX-EXEMPT ENTITIES.—In the case of a vehicle whose use is described in paragraph (3) or (4) of section 50(b) and which is not subject to a lease, the person who sold such vehicle to the person or entity using such vehicle shall be treated as the taxpayer who placed such vehicle in service, but only if such person clearly discloses to such person or entity the amount of any credit allowable under subsection (a) with respect to such vehicle (determined without regard to subsection (e)).

(10) CARRYBACK AND CARRYFORWARD ALLOWED.—

(A) IN GENERAL.—If the credit allowable under subsection (a) exceeds the amount of the limitation under subsection (g) for such taxable year, (i) such excess shall be a credit carryover to each of the 3 taxable years preceding the unused credit year (excess carryover), and (ii) such excess shall be a credit carryback to each of the 3 taxable years preceding the unused credit year (excess carryback).

(B) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryback and credit carryforward under subparagraph (A).

(II) MOTOR VEHICLE WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Unless otherwise provided in this section, a motor vehicle shall not be considered eligible for a credit under this subsection unless such vehicle is in compliance with—

(A) the applicable provisions of the Clean Air Act for the applicable make and model vehicle under section 211 of such Act, and

(B) the applicable provisions of State law in the case of a State which has adopted such provision under a
waiver under section 209(b) of the Clean Air Act), and

“(b) the motor vehicle safety provisions of sections 30101 through 30109 of title 49, United States Code.

“(c) REGULATIONS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary shall promulgate such regulations as necessary to carry out the provisions of this section.

“(2) COORDINATION IN PRESCRIPTION OF CERTAIN REGULATIONS.—The Secretary of the Treasury shall coordinate with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall prescribe such regulations as necessary to determine whether a motor vehicle meets the requirements to be eligible for a credit under this section.

“(h) TERMINATION.—This section shall not apply to any property purchased after—

“(1) in the case of a new qualified fuel cell motor vehicle (as described in subsection (b)), December 31, 2015,

“(2) in the case of a new advanced lean burn technology motor vehicle (as described in subsection (c)) or a new qualified hybrid motor vehicle (as described in subsection (d)), December 31, 2009, and

“(3) in the case of a new qualified alternative fuel vehicle (as described in subsection (e)), December 31, 2010.

(b) CONFORMING AMENDMENTS.—

(1) Section 101(b), as amended by this Act, is amended by inserting “a vehicle using another clean-burning fuel and” at the end of paragraph (35), by striking the period at the end of paragraph (36) and inserting “; and”, and by adding at the end the following new paragraph:

“(37) to the extent provided in section 30B(h)(c).”.

(2) Section 55(c)(x), as amended by this Act, is amended by inserting “30B(g),” after “30B(b)(2),”.

(3) Section 651(a) is amended by inserting “30B(b)(3),” after “30B(d)(4),”.

(4) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 30A the following new item:

“Sec. 30B. Motor vehicle credit.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

(d) STICKER INFORMATION REQUIRED AT RETAIL SALE.—

(1) IN GENERAL.—The Secretary of the Treasury shall issue regulations under which each qualified vehicle sold at retail shall display a notice—

(A) that such vehicle is a qualified vehicle, and

(B) that the buyer may not benefit from the credit allowed under section 30B of the Internal Revenue Code of 1986 if such buyer has incurred tax liability.

(2) QUALIFIED VEHICLE.—For purposes of paragraph (1), the term “qualified vehicle” means a vehicle with respect to which a credit is allowed under section 30B of the Internal Revenue Code of 1986.

(e) NONAPPLICABILITY OF SECTION.—Notwithstanding any other provision of this Act, the provisions of, and amendments made by, section 101 of this Act shall not apply to any credit allowed under section 30B of the Internal Revenue Code.

SEC. 1702. CREDIT FOR INSTALLATION OF ALTERNATIVE FUEL REFUELING STATIONS.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credits), as amended by this Act, is amended by adding at the end the following new section:

“SEC. 30C. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.

“(a) CREDIT ALLOWED.—There shall be allowed as a credit (imposed by this chapter for the taxable year an amount equal to 50 percent of the cost of any qualified alternative fuel vehicle refueling property placed in service by the taxpayer during the taxable year.

“(b) LIMITATION.—The credit allowed under subsection (a) with respect to any alternative fuel vehicle refueling property shall not exceed—

“(1) $50,000 in the case of a property of a character subject to an allowance for depreciation, and

“(2) $1,000 in any other case.

“(c) QUALIFIED ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY.—For purposes of this section—

“(1) IN GENERAL.—Except as provided in paragraph (2), the term ‘qualified alternative fuel vehicle refueling property’ has the meaning given to such term by section 179A(d), but only with respect to any fuel at least 85 percent of the volume of which consists of ethanol, natural gas, compressed natural gas, liquefied natural gas, liquefied petroleum gas, and hydrogen.

“(2) RESIDUAL LIFE.—In the case of any property installed on property which is used as the principal residence (within the meaning of section 121) of the taxpayer, paragraph (1) of section 179A(d) shall not apply.

“(d) APPLICATION WITH OTHER CREDITS.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess (if any) of—

“(1) the regular tax for the taxable year reduced by the sum of the credits allowed under subpart A and sections 27, 29, 30, and 30B, over

“(2) the tentative minimum tax for the taxable year.

“(e) CARRYFORWARD ALLOWED.—

“(1) IN GENERAL.—If the credit amount allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (d) for such taxable year, such excess shall be allowed as a credit carryforward for each of the 20 taxable years following the unused credit year.

“(2) RULES.—Rules similar to the rules of section 39 shall apply with respect to the credit carryforward under paragraph (1).

“(f) SPECIAL RULES.—For purposes of this section—

“(1) BASIS REDUCTION.—The basis of any property shall be reduced by the portion of the basis of such property taken into account under subsection (a).

“(2) NO DOUBLE BENEFIT.—No deduction shall be allowed under section 179A with respect to any property with respect to which a credit is allowed under subsection (a).

“(3) PROPERTY USED BY ‘TAX-EXEMPT’ ENTITY.—In the case of any qualified alternative fuel vehicle refueling property the use of which is described in paragraph (3) or (4) of section 50(b) in which a person is subject to a lease, the person who sold such property to the person or entity using such property shall be treated as the taxpayer that placed such property in service, but only if such person clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such property, determined without regard to subsection (d).

“(4) PROPERTY USED OUTSIDE UNITED STATES NOT QUALIFIED.—No credit shall be allowed under subsection (a) if such property is placed in service by the person to which the property was transferred after December 31, 2009, which person is a ‘tax-exempt’ entity and the property is used outside the United States.

“(5) ELECTION TO NOT TAKE CREDIT.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

“(6) RECAPTURE RULES.—Rules similar to the rules of section 179A(e)(4) shall apply.

“(g) REGULATIONS.—The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

“(h) TERMINATION.—This section shall not apply to any property placed in service—

“(1) in the case of property relating to hydrogen, after December 31, 2014, and

“(2) in the case of any other property, after December 31, 2009.

(b) MODIFICATIONS TO EXTENSION OF DEDUCTION FOR CERTAIN REFUELING PROPERTY.—

“(1) INCREASE IN DEDUCTION FOR HYDROGEN INFRASTRUCTURE.—Section 30A(a)(4) is amended by inserting “$200,000 in the case of property relating to hydrogen” after “$100,000.”

“(2) EXTENSION OF DEDUCTION.—Subsection (f) of section 179A is amended to read as follows:

“(f) EXTENSION.—This section shall not apply to any property placed in service—

“(1) in the case of property relating to hydrogen, after December 31, 2014, and

“(2) in the case of any other property, after December 31, 2009.

(c) INCENTIVE FOR PRODUCTION OF HYDROGEN AT QUALIFIED CLEAN-FUEL VEHICLE REFUELING PROPERTY.—Section 179A(d) (defining qualified clean-fuel vehicle refueling property) is amended by adding at the end the following new flush sentence:

“In the case of clean-burning fuel which is hydrogen produced from another clean-burning fuel, paragraph (3)(A) shall be applied by substituting ‘production, storage, or dispensing for ‘storage or dispensing” both places it appears.”

(d) CONFORMING AMENDMENTS.—

(1) Section 101(h), as amended by this Act, is amended by striking “and” at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting “; and”, and by adding at the end the following new paragraph:

“(38) to the extent provided in section 30C(c).”.

(2) Section 55(c)(2), as amended by this Act, is amended by inserting “30(e),” after “30B(2),”.

(3) Section 6501(m) is amended by inserting “30B(3),” after “30B(4),”.

(4) The table of sections for subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30B the following new item:

“Sec. 30C. Clean-fuel vehicle refueling property credit.”

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

(f) NONAPPLICATION OF SECTION.—Notwithstanding any other provision of this Act, the provisions of, and amendments made by, section 101 of this Act shall not apply.

Subtitle B—Revenue Offset Provisions

PART I—GENERAL PROVISIONS

SEC. 1711. TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT INSTRUMENTS.

(a) IN GENERAL.—Section 1275(d) (relating to regulation authority) is amended—

(1) by striking “The Secretary” and inserting the following:

“(1) IN GENERAL.—The Secretary”, and

(2) by adding at the end the following new paragraph:

“(2) TREATMENT OF CONTINGENT PAYMENT CONVERTIBLE DEBT INSTRUMENT.—

“(A) IN GENERAL.—In the case of a debt instrument which—
“(i) is convertible into stock of the issuing corporation, into stock or debt of a related party (within the meaning of section 267(b) or 707(b)(1)), or into cash or other property in an amount equal to the approximate value of such stock or debt, and

(ii) provides for contingent payments,

any regulations which require original issue discount to be determined by reference to the conversion of a noncontingent fixed-rate debt instrument shall be applied as if the regulations require that such comparable yield be determined by reference to a noncontingent fixed-rate debt instrument which is convertible into stock.

(B) SPECIAL RULE.—For purposes of subparagraph (A), the comparable yield shall be determined without taking into account the portion of such instrument which is attributable to the provisions of this subsection.

(3) EFFECTIVE DATE.—The amendments made by this section shall apply to debt instruments issued on or after the date of the enactment of this Act.

SEC. 1712. FRIVOLOUS TAX SUBMISSIONS.

(a) CIVIL PENALTIES.—Section 6702 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following:

“(f) FRIVOLOUS SUBMISSIONS, ETC.—The penalties imposed by this section shall be in addition to any other penalty provided by law.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY.—

(1) FRIVOLOUS REQUESTS DISREGARDED.—Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

“(g) FRIVOLOUS REQUESTS FOR HEARING, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6330 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were not submitted and such portion shall not be subject to any further administrative or judicial review.

(2) PRECLUSION FROM RAISING FRIVOLOUS ISSUES AT HEARING.—Section 6330(c)(4) is amended by adding at the end the following:

“(A) by striking ‘‘(A)’’ and inserting ‘‘(A)(i)’’;

(B) by striking ‘‘(B)’’ and inserting ‘‘(ii)’’;

(C) by striking the period at the end of the first sentence and inserting ‘‘; or’’;

(D) by inserting after subparagraph (A)(ii) (as so redesignated) the following: ‘‘(B) the issue meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A).’’

(3) STATEMENT OF GROUNDS.—Section 6330(b)(1) is amended by striking ‘‘under subsection (a)’’ and inserting ‘‘in writing under subsection (a)(3)(B) and states the grounds for the requested hearing’’.

(c) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARING ON FILING OF NOTICE OF LIEN.—Section 6320 is amended—

(1) in subsection (b)(1), by striking ‘‘under subsection (a)(3)(B) and states the grounds for the requested hearing’’, and

(2) in subsection (c), by striking ‘‘and (e)’’ and inserting ‘‘(e), (e), and (g)’’;

(d) TREATMENT OF FRIVOLOUS APPLICATIONS FOR OFFERS-IN-COMPROMISE AND INSTALLMENT AGREEMENTS.—Section 7122 is amended by adding at the end the following new subsection:

“(e) FRIVOLOUS SURRENDERS, ETC.—Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compromise or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary shall not take any action with respect to such application, and such portion shall not be subject to any further administrative or judicial review.

(e) CLEALEDAMNMENT.—The amendment made by section 12714 of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 1713. INCREASE IN CERTAIN CRIMINAL PENALTIES.

(a) IN GENERAL.—Section 7206 (relating to fraud and false statements) is amended—

(1) by striking ‘‘Any person who—’’ and inserting ‘‘(a) IN GENERAL.—Any person who—’’;

(2) by adding at the end the following new subsection:

“(b) INCREASE IN MONETARY LIMITATION FOR UNDERPAYMENT OR OVERPAYMENT OF TAX DUE TO FRAUD.—(A) in subsection (a), the portion of any underpayment or overpayment (as defined in section 6664(a)) or overpayment (as defined in section 6601(a)) of tax required to be shown on a return is attributable to fraudulent action described in subsection (a), the applicable dollar amount under subsection (a) shall in no event be less than an amount equal to such portion. A rule similar to the rule under section 6662(d) shall apply for purposes of determining the portion so attributable.

(B) INCREASE IN PENALTIES.—(1) (A) in subsection (a)—

(i) by striking ‘‘$100,000’’ and inserting ‘‘$500,000’’;

(ii) by striking ‘‘$500,000’’ and inserting ‘‘$1,000,000’’;

(2) by striking ‘‘$5,000’’ and inserting ‘‘$10,000’’.

(2) WILLFUL FAILURE TO FILE RETURN, SUPPLY INFORMATION, OR PAY TAX.—Section 7203 is amended—

(A) by striking ‘‘Any person’’ and inserting ‘‘(a) IN GENERAL.—Any person’’;

(B) by striking ‘‘$25,000’’ and inserting ‘‘$50,000’’;

(C) by striking ‘‘$50,000’’ and inserting ‘‘$100,000’’.

(3) FRAUD AND FALSE STATEMENTS.—Section 7206(a) (as redesignated by subsection (a)) is amended—

(A) by striking ‘‘$100,000’’ and inserting ‘‘$500,000’’;

(B) by striking ‘‘$500,000’’ and inserting ‘‘$1,000,000’’;

(C) by striking ‘‘3 years’’ and inserting ‘‘5 years’’.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to offenses committed on or after the date on which the Secretary first prescribes a list under section 6602(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 1714. DOUBLING OF CERTAIN PENALTIES, FINES, AND INTEREST ON UNDERPAYMENTS RELATIVE TO CERTAIN OFFSHORE FINANCIAL ARRANGEMENTS.

(a) DETERMINATION OF PENALTY.—

(A) IN GENERAL.—If any portion of any underpayment of tax (as defined in section 6664(a)) is attributable to fraudulent action described in subsection (a), the applicable dollar amount under subsection (a) shall apply for purposes of determining the portion so attributable.

(B) INCREASE IN PENALTIES.—(1) (A) in subsection (a)—

(i) by striking ‘‘$100,000’’ and inserting ‘‘$500,000’’;

(2) by striking ‘‘$500,000’’ and inserting ‘‘$1,000,000’’;

(3) by striking ‘‘$10,000’’ and inserting ‘‘$50,000’’.

(2) WILLFUL FAILURE TO FILE RETURN, SUPPLY INFORMATION, OR PAY TAX.—Section 7203 is amended—

(A) by striking ‘‘Any person’’ and inserting ‘‘(a) IN GENERAL.—Any person’’;

(B) by striking ‘‘$25,000’’ and inserting ‘‘$50,000’’;

(C) by striking ‘‘$50,000’’ and inserting ‘‘$100,000’’.

(3) FRAUD AND FALSE STATEMENTS.—Section 7206(a) (as redesignated by subsection (a)) is amended—

(A) by striking ‘‘$100,000’’ and inserting ‘‘$500,000’’;

(B) by striking ‘‘$500,000’’ and inserting ‘‘$1,000,000’’;

(C) by striking ‘‘3 years’’ and inserting ‘‘5 years’’.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to actions, and failures to act, occurring after the date of the enactment of this Act.
The determination as to whether any interest or applicable penalty is to be imposed with respect to any arrangement described in paragraph (2), or to any underpayment of tax attributable to items arising in connection with any such arrangement, shall be made without regard to the rules of subsections (b), (c), and (d) of section 6664 of the Internal Revenue Code of 1986, and

(B) if any such interest or applicable penalty is imposed, the amount of such interest or penalty is reduced in accordance with any regulations of the Secretary to the extent that it was determined without regard to this section.

(2) APPLICABLE TAXPAYER.—For purposes of this subsection—

(A) IN GENERAL.—The term ‘‘applicable taxpayer’’ means a taxpayer which—

(i) has underreported its United States income tax liability with respect to any item which directly or indirectly involves—

(I) any financial arrangement which in any manner relies on the use of offshore payment mechanisms (including credit, debit, or charge card) issued by banks or other entities in foreign jurisdictions, or

(II) any offshore financial arrangement (including payments to foreign banks, foreign financial institutions, corporations, partnerships, trusts, or other entities), and

(ii) has not signed a closing agreement pursuant to Revenue Procedure 2003-11 or voluntarily disclosed its participation in such action by notifying the Internal Revenue Service of such arrangement prior to the issue being raised by the Internal Revenue Service during an examination.

(B) AUTHORITY.—The Secretary of the Treasury or the Secretary’s delegate may waive the application of paragraph (1) to any taxpayer if the Secretary or the Secretary’s delegate determines that the use of such offshore payment mechanisms is incidental to the transaction and, in addition, in the case of a trade or business, such use is conducted in the ordinary course of the trade or business of the taxpayer.

(C) ISSUES RAISED.—For purposes of subparagraph (A)(ii), an item shall be treated as an issue raised during an examination if the individual examining the return—

(i) communicates to the taxpayer knowledge of the specific item, or

(ii) waives the right to the taxpayer for information and the taxpayer could not make a complete response to that request without giving the taxpayer knowledge of the specific item.

(2) APPLICABLE PENALTY.—The term ‘‘applicable penalty’’ means any penalty, addition to tax, or fine imposed under chapter 68 of the Code.

(3) FEES AND EXPENSES.—The Secretary of the Treasury may retain and use an amount equal to the fees and expenses (including reasonable travel expenses) of any individual examining the return of any applicable taxpayer for the purposes described in paragraph (2).

SEC. 1716. DECLARATION BY CHIEF EXECUTIVE OFFICER RELATING TO FEDERAL ANNUAL CORPORATE INCOME TAX RETURN.

(a) IN GENERAL.—The chief executive officer of any applicable taxpayer may designate if the corporation does not designate the Secretary of the Treasury as the chief executive officer of the corporation.

(b) EFFECTIVE DATE.—This section shall apply to Federal annual corporate income tax returns for taxable years beginning after January 1, 2010.

SEC. 1717. TREASURY REGULATIONS ON FOREIGN TAX CREDIT.

(a) IN GENERAL.—Section 901 (relating to taxes of foreign countries and of possessions of United States) is amended by redesignating subsection (m) as subsection (n) and by inserting at the end of such subsection the following new subsection:

‘‘(n) REGULATIONS.—The Secretary may prescribe regulations disallowing a credit under subsection (m) with respect to any foreign tax, or allocating a foreign tax among 2 or more persons, in cases where the foreign tax is imposed on any person in respect of the same income, in cases where the foreign tax is imposed on different persons in respect of the same income, in cases involving the same foreign tax from the same foreign source, and in such other cases as the Secretary shall determine.’’

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to returns for taxable years beginning on or after January 1, 2010.

SEC. 1718. WHISTLEBLOWER REFORMS.

(a) IN GENERAL.—Section 7623 (relating to expenses of detection of underpayments and fraud, etc.) is amended—

(1) by striking ‘‘The Secretary’’ and inserting ‘‘(a) IN GENERAL.—The Secretary’’,

(2) by striking ‘‘and’’ at the end of paragraph (1) and inserting ‘‘or’’,

(3) by striking amendments described in subsection (n)’’, and

(4) by adding at the end the following new subsections:

‘‘(d) AWARDS TO WHISTLEBLOWERS.—

‘‘(1) IN GENERAL.—If the Secretary proceeds with any administrative or judicial action described in subsection (a) based on information provided by a whistleblower, any individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement in response to such action, taking into account the significance of the individual’s information and the role of such individual in contributing to such action.

‘‘(2) AWARD IN CASE OF LESS SUBSTANTIAL CONTRIBUTION.—

‘‘(A) IN GENERAL.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations (other than information provided by the individual described in paragraph (1)) resulting from a judicial or administrative hearing, from a governmental report, hearing, or investigation, or from the news media, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including any related actions) or from any settlement in response to such action, taking into account the significance of the individual’s information and the role of such individual in contributing to such action.

‘‘(B) NONAPPLICATION OF PARAGRAPHS WHERE INDIVIDUAL IS ORIGINAL SOURCE OF INFORMATION.—Subparagraphs (A) and (B) shall not apply if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in paragraph (1).

‘‘(3) REDUCTION IN OR DENIAL OF AWARD.—If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is brought by an individual who planned and initiated the actions that led to the underpayment of tax or actions described in subsection (a)(2), then the Whistleblower Office may appropriately reduce the award. If such individual is convicted of criminal conduct arising from the role described in the preceding sentence, the Whistleblower Office shall deny any award.

‘‘(4) APPEAL OF AWARD DETERMINATION.—Any determination regarding an award under paragraphs (1) or (2) shall be subject to the filing by the individual described in such paragraph of a petition for review with the Tax Court under rules similar to the rules under section 7463 (without regard to the amount in dispute) and such review shall be subject to the rules under section 7461(b)(1).

‘‘(5) APPLICATION OF THIS SUBSECTION.—This subsection shall apply with respect to any action—

(i) against any taxpayer, but in the case of any individual, only if such individual’s gross income exceeds $200,000 for any taxable year subject to such action, and

(ii) if the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $100,000.

‘‘(6) ADDITIONAL RULES.—

‘‘(A) NO CONTRACT NECESSARY.—No contract with the Internal Revenue Service is necessary for any individual to receive an award under this subsection.

‘‘(B) REPRESENTATION.—Any individual described in paragraph (1) or (2) may be represented by counsel.

‘‘(C) AWARD NOT SUBJECT TO INDIVIDUAL ALTERNATIVE MINIMUM TAX.—No award received
under this subsection shall be included in gross income for purposes of determining alternative minimum taxable income.

"(c) WHISTLEBLOWER OFFICE.—

"(1) IN GENERAL.—There is established in the Internal Revenue Service an office to be known as the ‘Whistleblower Office’ which—

(A) shall at all times operate at the direction and control of, and be under the direction and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner.

(B) shall analyze information received from any individual described in subsection (b) and either investigate the matter itself or consult with other divisions in the Internal Revenue Service as directed by the Commissioner and coordinate and integrate information for the purpose of the investigation or litigation.

(C) shall monitor any action taken with respect to such matter.

(D) shall inform such individual that it has accepted the individual’s information for further review.

"(E) may require such individual and any legal representative of such individual to not disclose any information so provided,

"(F) in its sole discretion, may ask for additional assistance from such individual or any legal representative of such individual, and

"(G) shall determine the amount to be awarded to such individual under subsection (b).

"(2) FUNDING FOR OFFICE.—There is authorized to be appropriated $10,000,000 for each fiscal year for the Whistleblower Office. These funds shall be used to maintain the Whistleblower Office and also to reimburse other Internal Revenue Service offices for related costs, such as costs of investigation and collection.

"(3)请求 for Assistance.—

(A) IN GENERAL.—Any assistance requested under paragraph (1) shall be under the direction and control of the Whistleblower Office and subject to investigation of the matter under subparagraph (A).

To the extent the disclosure of any returns or return information to the individual or legal representative is required for the performance of such assistance, such disclosure shall be pursuant to a contract entered into between the Secretary and the recipients of such contracts as are found necessary to the performance of such assistance, and no individual or legal representative whose assistance is so requested may by reason of such request represent himself or herself as an employee of the Internal Revenue Service.

(B) FUNDING OF ASSISTANCE.—From the amounts available for expenditure under subsection (b), the Whistleblower Office may, with the approval of the Secretary, reimburse the costs incurred by any legal representative of such individual in providing assistance described in subparagraph (A).

"(d) REPORT BY SECRETARY.—The Secretary shall each year conduct a study and report to Congress on the use of funds described in subsection (b).

"(1) an analysis of the use of this section during the preceding year and the results of such use, and

"(2) any legislative or administrative recommendations regarding the provisions of this section and its application."

"(b) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after May 9, 2005.

SEC. 1719. DENIAL OF DEDUCTION FOR CERTAIN EXPATRIATION GAINS.

"(a) IN GENERAL.—Paragraph (2) of section 936(d) of the American Jobs Creation Act of 2004 is amended to read as follows:

"(1) IN GENERAL.—Except as provided in paragraph (2), no deduction otherwise allowable shall be allowed under this chapter for any amount paid or incurred (whether by deduction or otherwise) to avoid, in whole or in part, the direction, of a government or entity described in paragraph (4) in relation to the violation of any law or the investigation or inquiry by such government or entity into the potential violation of any law.

"(2) EXCLUSION OF AMOUNTS CONSTITUTING RESTITUTION.—Paragraph (1) shall not apply to any amount paid or incurred by the taxpayer establishes constitutes restitution (including remediation of property for damage or harm caused by or which may be caused by action or the potential violation of any law, and

"(B) is identified as restitution in the court order or settlement agreement.

Identification pursuant to subparagraph (A) alone shall not satisfy the requirement under subparagraph (A). This paragraph shall not apply to any amount paid or incurred as reimbursement to the government or entity for the costs of any investigation or litigation.

"(3) EXCLUSION FOR AMOUNTS PAID OR INCURRED AS PART OF A SETTLEMENT AGREEMENT.—Paragraph (1) shall not apply to any amount paid or incurred by a court in a suit in which no government or entity described in paragraph (4) is a party.

"(4) CERTAIN NONGOVERNMENTAL REGULATORY ENTITIES.—An entity is described in this paragraph if it is—

(A) a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) for the purpose of performing an essential governmental function,

"(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004."

SEC. 1720. FREEZE OF INTEREST SUSPENSION RULE WITH RESPECT TO LISTED TRANSACTIONS.

"(a) IN GENERAL.—Paragraph (2) of section 936(d) of the American Jobs Creation Act of 2004 is amended to read as follows:

"(1) IN GENERAL.—Exempt as provided in clause (i) or (iii), in the case of any listed transaction, the amendments made by subsection (c) shall also apply with respect to interest accruing on or before October 3, 2004.

"(ii) SPECIAL RULE FOR CERTAIN LISTED TRANSACTIONS.—

(A) IN GENERAL.—Except as provided in clause (i) or (iii), in the case of any listed transaction, the amendments made by subsection (c) shall also apply with respect to interest accruing on or before October 3, 2004.

"(B) EFFECTIVE DATE.—The amendments made by this section shall apply as if included in the enactment of the American Jobs Creation Act of 2004.

"(2) TYPE OF LISTED TRANSACTION.—

A taxpayer shall be treated as engaged in a listed transaction if—

"(i) the taxpayer establishes constitutes restitution (including remediation of property for damage or harm caused by or which may be caused by action or the potential violation of any law, and

"(B) is identified as restitution in the court order or settlement agreement.

Identification pursuant to subparagraph (A) alone shall not satisfy the requirement under subparagraph (A). This paragraph shall not apply to any amount paid or incurred as reimbursement to the government or entity for the costs of any investigation or litigation.

"(3) EXCEPTION FOR AMOUNTS PAID OR INCURRED AS PART OF A SETTLEMENT AGREEMENT.—Paragraph (1) shall not apply to any amount paid or incurred by a court in a suit in which no government or entity described in paragraph (4) is a party.

"(4) CERTAIN NONGOVERNMENTAL REGULATORY ENTITIES.—An entity is described in this paragraph if it is—

(A) a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) for the purpose of performing an essential governmental function,

"(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004.

"(a) REPEAL OF EXCEPTION FOR QUALIFIED PLANS.—Section 4975(b)(2) of the American Jobs Creation Act of 2004 is amended by striking paragraphs (1) and (2) and by redesignating paragraphs (3) and (4) and (A) and (2).

"(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the American Jobs Creation Act of 2004.


"(a) REPEAL OF EXCEPTION FOR QUALIFIED PLANS.—Section 4975(b)(2) of the American Jobs Creation Act of 2004 is amended by striking paragraphs (1) and (2) and by redesignating paragraphs (3) and (4) and (A) and (2).

"(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the American Jobs Creation Act of 2004.

SEC. 1722. IMPOSITION OF MARK-TO-MARKET TAX ON INDIVIDUALS WHO EXPATRIATE.

"(a) IN GENERAL.—Subsection II of subsection N of chapter 1 is amended by inserting after section 877 the following new section:

"(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004.

SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATES.

"(a) GENERAL RULE.—For purposes of this section—

"(1) MARK TO MARKET.—Except as provided in subsections (d) and (f), all property of a covered expatriate to whom this section applies shall be treated as sold on the date of such expatriation if, as of the date of such sale, the fair market value of such property exceeds the value of such property at the time of such expatriation.

"(2) RECOGNITION OF LOSS.—The amount of loss recognized by a taxpayer under this section shall be treated as gain realized by such taxpayer on such date.

"(3) EXCLUSION OF CERTAIN GAIN.—

"(A) IN GENERAL.—The amount which, but for this section, would be includible in the gross income of any individual by reason of this section shall be reduced by the fair market value of the property of such individual at the date of such expatriation.

"(4) COST-OF-LIVING ADJUSTMENT.—

"(1) IN GENERAL.—The amount which, but for this section, would be includible in the gross income of any individual by reason of this section, shall be reduced by the product of the applicable percentage (as determined under subsection (b) of this section) and the cost-of-living adjustment (as determined under section 2503(d), unless otherwise provided).

"(2) EXCEPTION FOR CERTAIN EXPATRIATION.—

"(A) IN GENERAL.—The amount which, but for this section, would be includible in the gross income of any individual by reason of this section, shall be reduced by the product of the applicable percentage (as determined under subsection (b) of this section) and the cost-of-living adjustment (as determined under section 2503(d), unless otherwise provided).

"(3) COST-OF-LIVING ADJUSTMENT.—

"(1) IN GENERAL.—The amount which, but for this section, would be includible in the gross income of any individual by reason of this section, shall be reduced by the product of the applicable percentage (as determined under subsection (b) of this section) and the cost-of-living adjustment (as determined under section 2503(d), unless otherwise provided).
“(i) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting ‘calendar year 2002’ for ‘calendar year 1982’ in subparagraph (B) thereof.

(ii) Rounding Rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.

(iv) Election to Continue to be Taxed as United States Citizen.—

(A) IN GENERAL.—If a covered expatriate elects the application of this paragraph—

(i) this section (other than this paragraph and subsection (ii)) shall not apply to the expatriate

(ii) in the case of property to which this section would apply but for such election, the expatriate shall be subject to tax under this title in the same manner as if the individual were a United States citizen.

(B) REQUIREMENTS.—Subparagraph (A) shall not apply to an individual unless the individual—

(i) provides security for payment of tax in such form and manner, and in such amount, as the Secretary may require.

(ii) if the taxpayer waives of any right of the individual under any treaty of the United States which would preclude assessment or collection of any tax which may be imposed by reason of this paragraph, this paragraph

(iii) complies with such other requirements as the Secretary may prescribe.

(C) ELECTION.—An election under subparagraph (A) shall apply to all property to which this section would apply but for the election and, once made, shall be irrevocable. Such election shall also apply to any interest in property not described in subparagraph (A) and to any accountable. Such election shall also apply to any interest in property not described in subparagraph (A) and to any

(ii) an election under paragraph (i) shall only apply to property described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a trust with respect to which gain is required to be recognized under subsection (o)(1).

(7) INTEREST.—For purposes of section 6601—

(A) the last date for the payment of tax shall be determined without regard to the election under this subsection, and

(B) section 6621(a)(2) shall be applied by substituting ‘5 percentage points’ for ‘3 percentage points’ in subparagraph (B) thereof.

(8) COVERED EXPATRIATE.—For purposes of this section—

(1) IN GENERAL.—Except as provided in paragraph (2), the term ‘covered expatriate’ means an expatriate.

(2) EXCEPTIONS.—An individual shall not be treated as an expatriate if—

(A) the individual—

(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

(ii) has not been a resident of the United States (as defined in section 7701(b)(1)(A)(i)) during the 5 taxable years ending with the taxable year during which the expatriation date occurs, or

(iii) the individual’s relinquishment of United States citizenship occurs before such individual attains age 18,

(A) the date an individual relinquishes United States citizenship occurs before such individual attains age 18, and

(ii) the individual has been a resident of the United States (as so defined) for not more than 5 taxable years before the date of relinquishment.

(9) EXEMPT PROPERTY: SPECIAL RULES FOR PENSION PLANS.—

(1) EXEMPT PROPERTY.—This section shall not apply to the following:

(A) United States real property interests.—Any United States real property interest (as defined in section 897(c)(1)), other than stock of a United States real property holding corporation which does not, on the day before the expatriation date, meet the requirements of section 897(c)(2).

(B) SPECIFIED PROPERTY.—Any property or interest in property described in subparagraph (A) which the Secretary specifies in regulations.

(2) SPECIAL RULES FOR CERTAIN RETIREMENT PLANS.

(A) IN GENERAL.—If a covered expatriate holds on the day before the expatriation date any interest in a retirement plan to which this paragraph applies—

(i) such interest shall not be treated as sold for purposes of subsection (a)(1), but

(ii) an amount equal to the present value of the expatriate’s nonforfeitable accrued benefit shall be treated as having been received by such individual on such date as a distribution under the plan.

(B) FUTURE DISTRIBUTIONS.—In the case of any distribution on or after the expatriation date to or on behalf of the covered expatriate from a plan from which the individual, which treated as having received a distribution under subparagraph (A), the amount otherwise includible in gross income by reason of the subsequent distribution shall be reduced by the excess of the amount includible in gross income under subparagraph (A) over any portion of such amount with which this subparagraph previously applied.

(3) TREATMENT OF SUBSEQUENT DISTRIBUTIONS BY PLAN.—For purposes of this title, a retirement plan to which this paragraph applies, and any person acting on the plan’s behalf, shall treat any subsequent distribution described in subparagraph (B) in the same manner as described in subparagraph (A).

(4) APPLICABLE PLANS.—This paragraph shall apply to—

(i) any qualified retirement plan (as defined in section 4975(c)),

(ii) an eligible deferred compensation plan (as defined in section 457(b)(1) of an eligible employer described in section 457(e)(1)(A), and

(iii) to the extent provided in regulations, any foreign pension plan or similar retirement arrangements or programs.

(5) DEFINITIONS.—For purposes of this section—

(1) EXPATRIATE.—The term ‘expatriate’ means—

(A) any United States citizen who relinquishes citizenship, and

(B) any long-term resident of the United States who—

(i) ceases to be a lawful permanent resident of the United States (within the meaning of section 770(b)(6)), or

(ii) commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country and who does not waive the benefits of such treaty applicable to residents of the foreign country.

(2) EXPATRIATION DATE.—The term ‘expatriation date’ means—

(A) the date an individual relinquishes United States citizenship, or

(B) in the case of a long-term resident of the United States, the date of the event described in clause (i) or (ii) of paragraph (1).

(3) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing United States citizenship upon the occurrence of—

(A) the date the individual renounces United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 301(b) of the Immigration and Nationality Act (8 U.S.C. 1481(b)(5)),

(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 301(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)-(4)),

(C) the date the United States Department of State issues to the individual a certificate of loss of nationality, or

(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.

Subparagraph (A) or (B) shall not apply to any individual unless the renunciation or voluntary relinquishment is subsequently approved by the issuance to the individual of a certificate of loss of nationality by the United States Department of State.

(4) LONG-TERM RESIDENT.—The term ‘long-term resident’ has the meaning given to such term by section 7707(a)(2).

(5) SPECIAL RULES APPLICABLE TO BENEFICIARIES’ INTERESTS IN TRUST.—

(A) IN GENERAL.—Except as provided in paragraph (2), if an individual is determined under paragraph (3) to hold an interest in a
trust on the day before the expatriation date—

(A) the individual shall not be treated as having sold such interest,

(B) such interest shall be treated as a separate share in the trust, and

(C) such separate share shall be treated as a separate trust consisting of the assets allocable to such interests.

(ii) the separate trust shall be treated as having sold its assets on the day before the expatriation date for their fair market value and as having distributed all of its assets to the individual as of such time, and

(iii) the individual shall be treated as having recontributed the assets to the separate trust.

Subsection (a)(2) shall apply to any income, gain, or loss of the individual arising from a distribution described in subparagraph (C)(ii), in determining the amount of such distribution. Proper adjustments shall be made for liabilities of the trust allocable to an individual's share in the trust.

(2) Special rules for interests in qualified trusts.

(A) In general.—If the trust interest described in paragraph (1) is in a qualified trust,

(i) the tax imposed by subparagraph (A)(ii) shall be imposed on the trust and each other beneficiary.

(ii) any other beneficiary of the trust shall be entitled to recover from the distributee the amount of such tax imposed on the other beneficiary.

(B) Determination of beneficiaries' interest in trust.

(A) Determinations under paragraph (1).—For purposes of paragraph (1), a beneficiary's interest in a trust shall be based on the highest rate of tax imposed by section 1101 for the taxable year which includes the day before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed on the date of such cessation, disposition, or death, whichever is applicable.

(B) Taxpayer return position.

(1) Imposition of tentative tax.

(2) Determination of beneficiaries' interest in trust.

(A) Determinations under paragraph (1).—For purposes of paragraph (1), a beneficiary's interest in a trust shall be based on the highest rate of tax imposed by section 1101 for the taxable year which includes the day before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed on the date of such cessation, disposition, or death, whichever is applicable.

(B) Taxpayer return position.

(1) Imposition of tentative tax.

(2) Determination of beneficiaries' interest in trust.

(A) Determinations under paragraph (1).—For purposes of paragraph (1), a beneficiary's interest in a trust shall be based on the highest rate of tax imposed by section 1101 for the taxable year which includes the day before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed on the date of such cessation, disposition, or death, whichever is applicable.

(B) Taxpayer return position.

(1) Imposition of tentative tax.

(2) Determination of beneficiaries' interest in trust.

(A) Determinations under paragraph (1).—For purposes of paragraph (1), a beneficiary's interest in a trust shall be based on the highest rate of tax imposed by section 1101 for the taxable year which includes the day before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed on the date of such cessation, disposition, or death, whichever is applicable.
The amendments made by this subsection shall apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

This section shall not apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

The amendments made by this subsection shall apply to damages paid or incurred on or after the date of the enactment of this Act.

The amendments made by this section shall apply to damages paid or incurred on or after the date of the enactment of this Act.

This section shall not apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

This section shall not apply to any right to receive future payments, then, a partnership

If a C corporation is a partner in a partnership, this subsection to the corporation, and

This subsection shall apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

This subsection shall apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

The amendments made by this section shall apply to damages paid or incurred on or after the date of the enactment of this Act.

This section shall not apply to any right to receive future payments, then, a partnership

If a C corporation is a partner in a partnership, this subsection to the corporation, and

This subsection shall apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

This subsection shall apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

The amendments made by this subsection shall apply to damages paid or incurred on or after the date of the enactment of this Act.

This section shall not apply to any right to receive future payments, then, a partnership

If a C corporation is a partner in a partnership, this subsection to the corporation, and

This subsection shall apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.

This subsection shall apply to any expatriate subject to section 877A whose expatriation date (as so defined) occurs on or after the date of the enactment of this Act.
SEC. 1732. LIMITATION OF EMPLOYER DEDUCTION FOR CERTAIN ENTERTAINMENT EXPENSES.

(a) In General.—Paragraph (2) of section 274(e) (relating to expenses treated as compensation) is amended to read as follows:

"(2) Expenses treated as compensation.—Expenses for goods, services, and facilities, to the extent that the expenses do not exceed the amount of the expenses which are treated by the taxpayer, with respect to the recipient of the entertainment, amusement, or recreation, as compensation to an employee on the taxpayer’s return of tax under this chapter and as wages to such employee for purposes of sections 6151 and 6152 (relating to withholding of income tax at source on wages)."

(b) Persons Not Employers.—Paragraph (9) of section 274(e) is amended by striking "to the extent that the expenses are includible in the gross income" and inserting "to the extent that the expenses do not exceed the amount of the expenses which are includible in the gross income".

(c) Effective Date.—The amendment made by this section shall apply to expenses incurred after the date of the enactment of this Act.

SEC. 1727. INCREASE IN PENALTY FOR BAD CHECKS AND MONEY ORDERS.

(a) In General.—Section 6657 (relating to bad checks and money orders) is amended by inserting "$750" and inserting "$1,250";

(b) Effective Date.—The amendments made by this section shall apply to returns of tax under this Act and to taxes due on or after the date of the enactment of this Act.

SEC. 1728. ELIMINATION OF DOUBLE DEDUCTION ON MINING EXPLORATION AND DEVELOPMENT COSTS UNDER THE MINIMUM TAX.

(a) In General.—Section 5(a)(1) (relating to depletion) is amended by striking "for the taxable year" and inserting: "for the taxable year and determined without regard to so much of the basis as is attributable to mining exploration and development costs described in section 616 or 617 for which a deduction is allowable for any taxable year under this part.");

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

PART II—IMPROVEMENTS IN EFFICIENCY AND SAFEGUARDS IN INTERNAL REVENUE SERVICE SERVICE COLLECTION

SEC. 1731. WAIVER OF USER FEE FOR INSTALLMENT AGREEMENTS USING AUTOMATED WITHDRAWALS.

(a) In General.—Section 6619 (relating to agreements for payment of tax liability in installments) is amended by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively, and by inserting after subsection (b) the following new subsection:

"(c) RULES FOR SUBMISSION OF OFFERS-IN-COMPROMISE.—

(1) Partial payment required with submission.—

(A) Lump-sum offers.—

(i) In general.—The submission of any lump-sum offer-in-compromise shall be accompanied by the payment of 20 percent of the amount of such offer.

(ii) Lump-sum offer-in-compromise.—For purposes of this section, the term ‘lump-sum offer-in-compromise’ means any offer of payment made in 5 or fewer installments.

(B) Periodic payment offers.—The submission of any periodic payment offer-in-compromise shall be accompanied by the payment of the amount of the first proposed installment and each proposed installment due during the tax year in which the offer is being evaluated for acceptance and has not been rejected by the Secretary. Any failure to make a payment required under the preceding sentence shall be deemed a withdrawal of the offer-in-compromise.

(2) Rules of application.—

(A) Use of payment.—The application of any payment made under this subsection to the assessed tax or other amounts imposed under this title with respect to such tax may be specified by the taxpayer.

(B) No user fee.—Any user fee which would otherwise be imposed under this section shall not be imposed on any offer-in-compromise accompanied by a payment required under this subsection.

(C) Additional rules relating to treatment of offers.—

(1) Unprocessable offer if payment requirements are not met.—Paragraph (3) of section 7122(d) (relating to standards for evaluation of offers, as redesignated by subsection (a), is amended by striking ‘‘at the end of subparagraph (A) and inserting a comma, by striking the period at the end of subparagraph (B) and inserting ‘‘, and’’, and adding at the end the following new subparagraph:

‘‘(C) any offer-in-compromise which does not meet the requirements of subsection (c) is returned to the taxpayer as unprocessable.’’."

(2) Deemed acceptance of offer not rejected within certain period.—Section 7122, as amended by subsection (a), is amended by adding at the end the following new subsection:

"(b) Deemed acceptance of offer not rejected within certain period.—Any offer-in-compromise submitted under this section shall be deemed to be accepted by the Secretary if such offer is not rejected by the Secretary before the date which is 24 months after the date of the submission of such offer-in-compromise submitted on or after the date which is 5 years after the date of the enactment of this subsection. For purposes of the preceding sentence, any period during which the liability which is the subject of such offer-in-compromise is in dispute is not taken into account in determining the expiration of the 24-month period (or 12-month period, if applicable)."

(c) Effective Date.—The amendments made by this section shall apply to offers-in-compromise submitted on or after the date which is 60 days after the date of the enactment of this Act.

SEC. 1735. JOINT TASK FORCE ON OFFERS-IN-COMPROMISE.

(a) In General.—The Secretary of the Treasury shall establish a joint task force—

(1) to review the Internal Revenue Service’s determinations with respect to offers-in-compromise, including offers which raise equitable, public policy, or economic hardship grounds for compromise of a tax liability under section 7122 of the Internal Revenue Code of 1986;

(2) to review the extent to which the Internal Revenue Service has used its authority to resolve longstanding cases by forgiving penalties and interest which have accumulated as a result of delay in determining the taxpayer’s liability;

(3) to provide recommendations as to whether the Internal Revenue Service’s evaluation of offers-in-compromise should include—

(A) the taxpayer’s compliance history,

(B) errors by the Internal Revenue Service with respect to the underlying tax, and

(C) wrongful acts by a third party which gave rise to the liability, and

(4) to annually report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives (beginning in 2006) regarding such review and recommendations.

(b) Members of Joint Task Force.—The membership of the joint task force under subsection (a) shall consist of 1 representative from each of the following:

(1) the Joint Committee on Taxation,

(2) the Office of the Tax Advocate, the Office of Appeals, the Office of the Taxpayer Advocate, the Office of Whistleblower, the Office of the Chief Counsel, and the Office of the Tax Inspector General for Investigation, and

(3) the division of the Internal Revenue Service charged with operating the offer-in-compromise program.

(c) Report of National Taxpayer Advocate.

(1) In General.—Clause (ii) of section 7331(a)(4) (relating to report by National Taxpayer Advocate) is amended by striking ‘‘and’’ at the end of subclause (X), by redesignating subclause (XI) as...
subclause (X), and by inserting after subclause (X) the following new subclause:

“(XI) include a list of the factors taxpayers have raised to support their claims for offers-in-compromise, the number of such offers submitted, accepted, and rejected, the number of such offers appealed, the period during which review of such offers have been completed, and the efforts the Internal Revenue Service has made to correctly identify such offers, including the training of employees in identifying and evaluating such offers.”

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to reports in calendar year 2006 and thereafter.

SA 931. Mr. LEVIN (for himself and Mr. BATH) submitted an amendment intended to be proposed by him to the bill H.R. 6. To ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end add the following:

TITLE XVIL—TAX INCENTIVES FOR ALTERNATIVE MOTOR VEHICLES AND FUELS

SEC. 1700. AMENDMENT OF 1986 CODE. Except as otherwise expressly provided, whenever in this title an amendment or repeal is in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—Tax Incentives

SEC. 1701. ALTERNATIVE MOTOR VEHICLE CREDIT.

(a) IN GENERAL.—Subpart B of part IV of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following:

SEC. 30B. ALTERNATIVE MOTOR VEHICLE CREDIT.

(1) ALLOWANCE OF CREDIT.—For purposes of subparagraph (A), the 2002 model year city fuel economy with respect to a vehicle shall be determined in accordance with the following tables:

- If vehicle inertia The 2002 model year weight class is: city fuel economy
  - 1,500 to 1,750 lbs .................................. 42.5 mpg
  - 2,000 lbs .......................................... 39.6 mpg
  - 2,250 lbs .......................................... 35.2 mpg
  - 2,500 lbs .......................................... 31.7 mpg
  - 2,750 lbs .......................................... 28.4 mpg
  - 3,000 lbs .......................................... 26.4 mpg
  - 3,500 lbs .......................................... 22.6 mpg
  - 4,000 lbs .......................................... 19.8 mpg
  - 4,500 lbs .......................................... 17.6 mpg
  - 5,000 lbs .......................................... 15.9 mpg
  - 5,500 lbs .......................................... 14.4 mpg
  - 6,000 lbs .......................................... 13.2 mpg
  - 6,500 lbs .......................................... 12.2 mpg
  - 7,000 to 8,500 lbs .............................. 11.3 mpg.

(2) EFFECTIVE DATE.—(A) which is propelled by power derived from 1 or more cells which convert chemical energy directly into electricity by combining oxygen with hydrogen fuel which is stored on board the vehicle in any form and may or may not require reformation prior to use.

(B) which, in the case of a passenger automobile or light truck, has received a certificate that such vehicle is a passenger automobile or a light truck—

(C) VEHICLE INERTIA WEIGHT CLASS.—For purposes of subparagraph (B), the term ‘vehicle inertia weight class’ has the same meaning as when defined in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act (42 U.S.C. 7522 et seq.).

(3) NEW QUALIFIED FUEL CELL VEHICLE CREDIT.—For purposes of this subsection, the term ‘new qualified fuel cell vehicle’ means a motor vehicle—

(i) which is propelled by power derived from 1 or more cells which convert chemical energy directly into electricity by combining hydrogen and oxygen fuel which is stored on board the vehicle in any form and may or may not require reformation prior to use,

(ii) which, in the case of a passenger automobile or light truck, has received a certificate that such vehicle is a passenger automobile or a light truck.

(iii) which achieves at least 150 percent but less than 175 percent of the 2002 model year city fuel economy,
the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle, and

(II) in the case of a vehicle having a gross vehicle weight rating of more than 6,000 pounds but not more than 8,500 pounds, the Bin 8 Tier II emission standard which is so established.

(B) the original use of which commences with the taxpayer and not for resale, and

(D) possesses such a manufacturer.

(4) LIKE VEHICLE.—The term ‘like vehicle’ for a new qualified advanced lean burn technology motor vehicle derived from a conventional production vehicle produced in the same model year means a model that is equivalent in the following areas:

(A) Body style (2-door or 4-door),

(B) Transmission (automatic or manual),

(C) Acceleration performance (at 0.05 seconds),

(D) Drivetrain (2-wheel drive or 4-wheel drive)...

(E) Certification by the Administrator of the Environmental Protection Agency.

(5) LIFETIME FUEL SAVINGS.—For purposes of the term ‘lifetime fuel savings’ means, in the case of any new advanced lean burn technology motor vehicle, an amount that is an excess if any of the

(A) 120,000 divided by the 2002 model year city fuel economy for the vehicle inertia weight class, over

(B) 120,000 divided by the city fuel economy for such vehicle.

(6) NEW QUALIFIED HYBRID MOTOR VEHICLE CREDIT.—(A) IN GENERAL.—For purposes of subsection (a), the incremental cost of any new qualified hybrid motor vehicle which weighs more than 8,500 pounds, but not more than 14,000 pounds, has received a certificate of conformity under the State laws of California (enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act) for that make and model year vehicle, and

(B) new qualified hybrid motor vehicle which is

(i) an internal combustion or heat engine with a power. The term

(ii) having a gross vehicle weight rating of more than 6,000 pounds but not more than 8,500 pounds, has received a certificate that such vehicle meets or exceeds the Bin 5 Tier II emission standard established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act for that make and model year vehicle.

(II) for purposes of paragraph (1), the applicable percentage is:

(1) ALLOWANCE OF CREDIT.—For purposes of paragraph (1), the term ‘applicable percentage’ means:

(A) 50 percent, plus

(B) 30 percent, if such vehicle

(C) $25,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

(D) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

(II) APPLICABLE PERCENTAGE.—For purposes of paragraph (2), the applicable percentage shall be determined in accordance with the following table:

If percent increase in fuel economy the applicable percentage is:

(1) 10 percent, or more but not less than 20 percent, 20 percent.

(2) At least 30 but less than 40 percent, 30 percent.

(3) At least 40 but less than 50 percent, 40 percent.

(4) At least 50 but less than 60 percent, 50 percent.

(5) At least 60 but less than 75 percent, 60 percent.

(6) At least 75 but less than 100 percent, 75 percent.

(III) NEW QUALIFIED ALTERNATIVE FUEL MOTOR VEHICLE.—For purposes of this subsection, the term ‘new qualified alternative fuel motor vehicle’ means a vehicle which

(i) has received a certificate of conformity under the Clean Air Act and meets or exceeds the most stringent standard available for certification under the Clean Air Act for that make and model year vehicle (other than a zero emission standard), or

(ii) has received an order certifying the vehicle as meeting the same requirements as vehicles which may be sold or leased in California and meets or exceeds the most stringent standard available for certification under the State laws of California (enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act) for that make and model year vehicle (other than a zero emission standard).

(IV) has a maximum power available of at least 5 percent.

(V) in the case of a vehicle having a gross vehicle weight rating of more than 8,500 but not more than 14,000 pounds, has a maximum available power of at least 10 percent, and

(VI) has a maximum power available of at least 15 percent.

(VII) the original use of which commences with the taxpayer during the taxable year.

(III) MAXIMUM AVAILABLE POWER.—(A) PASSENGER AUTOMOBILE, MEDIUM DUTY PASSENGER VEHICLE, OR LIGHT TRUCK.—For purposes of subparagraph (A)(i), the term ‘maximum available power’ means the maximum power available from the rechargeable energy storage system, during a standard 10 second pulse power or equivalent test, divided by the vehicle’s total traction power.

(IV) new qualified alternative fuel motor vehicle which weighs more than 14,000 pounds but not more than 26,000 pounds, and

(V) $40,000, if such vehicle has a gross vehicle weight rating of more than 26,000 pounds.

(VI) new qualified alternative fuel motor vehicle which weighs more than 26,000 pounds.

(VII) the term ‘new qualified alternative fuel motor vehicle’ means a vehicle which

(i) has received a certificate of conformity under the Clean Air Act and meets or exceeds the most stringent standard available for certification under the Clean Air Act for that make and model year vehicle (other than a zero emission standard), or

(ii) has received an order certifying the vehicle as meeting the same requirements as vehicles which may be sold or leased in California and meets or exceeds the most stringent standard available for certification under the State laws of California (enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act) for that make and model year vehicle (other than a zero emission standard).

(IV) IN GENERAL.—The term ‘new qualified alternative fuel motor vehicle’ means a...
SUMMARY

(i) which is only capable of operating on an alternative fuel,

(ii) the original use of which commences with the taxpayer,

(iii) which is required by the taxpayer for use or lease, but not for resale, and

(iv) which is made by a manufacturer.

(B) ALTERNATIVE FUEL.—The term ‘alternative fuel’ means a liquid, gaseous, or electric fuel which is not a petroleum-based fuel.

(C) 75/25 MIXED-FUEL VEHICLE .—A mixed-fuel vehicle means a mixed-fuel vehicle which operates using at least 90 percent of the volume of which consists of an alternative fuel, 75 percent of which is an alternative fuel, and not more than 25 percent of which is a petroleum-based fuel.

(D) 90/10 MIXED-FUEL VEHICLE .—A mixed-fuel vehicle means a mixed-fuel vehicle which operates using at least 90 percent of the volume of which consists of an alternative fuel, 90 percent of which is an alternative fuel, and not more than 10 percent of which is a petroleum-based fuel.

(1) Section 1016(a), as amended by this Act, (2) the Secretary, (3) the Environmental Protection Agency, shall provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle)

(9) Election to not take credit .—No credit shall be allowed under subsection (a) for any taxable year following the unused credit year, except that no excess may be carried to a taxable year beginning before the date of the enactment of this section.

(10) Carryback and carryforward allowed .—In general .—If the credit allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (g) for such taxable year (in this paragraph referred to as the ‘unused credit year’), such excess shall be a credit carryback to each of the 3 taxable years preceding the unused credit year and a credit carryforward to each of the 2 taxable years following the unused credit year, other than the first taxable year following the unused credit year, except that no excess may be carried to a taxable year beginning before the date of the enactment of this section.

(11) Interaction with air quality and motor vehicle safety standards.—Unless otherwise provided by the applicable prov—

(12) Coordination in prescription of certain regulations.—The Secretary of the Treasury, in coordination with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall promulgate such regulations as necessary to carry out the provisions of this section.

(13) Petition for rulemaking .—In general .—If the credit allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (g) for such taxable year (in this paragraph referred to as the ‘unused credit year’), such excess shall be a credit carryback to each of the 3 taxable years preceding the unused credit year and a credit carryforward to each of the 2 taxable years following the unused credit year, except that no excess may be carried to a taxable year beginning before the date of the enactment of this section.

(14) Reduction in basis.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of any deduction for depreciation is not applicable.

(15) No double benefit.—The amount of any deduction or other credit allowable under this chapter—

(16) Property used by tax-exempt entity.—In the case of a vehicle whose use is described in paragraph (3) or (4) of section 50(b) and which is not subject to a lease, the portion of the cost of such vehicle or entity used by such vehicle shall be treated as the taxpayer that placed such vehicle in service, but only if such person clearly disclosed by the person or entity using such vehicle that placed such vehicle in service, and not only if such person clearly disclosed by such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such vehicle—

(17) Property used outside United States, etc., not qualified.—No credit shall be allowable under subsection (a) with respect to any property referred to in section 1016(b) and with respect to the portion of the cost of any property taken into account in subsection (e).

(18) Recapture.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property to be property eligible for such credit (including recapture in the case of a lease period of less than the economic life of a vehicle).
and by adding at the end the following new paragraph:

'(37) To the extent provided in section 30B(h)(4).

(2) Section 55(c)(2), as amended by this Act, is amended by inserting ‘‘30B(g),’’ after ‘‘30(b)(2),’’.

(3) Section 6501(m) is amended by inserting ‘‘30B(h),’’ after ‘‘30B(d),’’.

(4) The table of sections for part IV of chapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the following new item:

'Sec. 30B. Alternative motor vehicle credit.''

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

(d) Sticker Information Required at Retail Sale.—

(1) In General.—The Secretary of the Treasury shall issue regulations under which each qualified vehicle sold at retail shall display a notice—

(A) that such vehicle is a qualified vehicle, and

(B) that the buyer may not benefit from the credit allocations under section 30B of the Internal Revenue Code of 1986 if such buyer has insufficient tax liability.

(2) Qualified Vehicle.—For purposes of paragraph (1), the term ‘‘qualified vehicle’’ means a vehicle with respect to which a credit is allowed under section 30B of the Internal Revenue Code of 1986.

(e) SEC. 179D. CREDIT FOR INSTALLATION OF ALTERNATIVE FUEL REFUELING STATIONS.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by this Act, as amended by adding at the end the following new section:

'SEC. 30C. ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT.''

'(a) Credit Allowed.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 30 percent of the cost of any qualified alternative fuel vehicle refueling property placed in service in the taxable year.

(b) Limitation.—The credit allowed under subsection (a) with respect to any property of a taxable year shall not exceed the excess (if any) of—

'(1) the regular tax for the taxable year reduced by the sum of the credits allowable under subsection A and sections 27, 29, 30, and 30B, over

'(2) the tentative minimum tax for the taxable year.

(c) Carryforward Allowed.—

'(1) In General.—If the credit amount allowable under subsection (a) for a taxable year exceeds the amount of the limitation under subsection (d) for such taxable year, such excess shall be allowed as a credit carryforward for each of the 20 taxable years following the unused credit year.

'(2) Rules.—Rules similar to the rules of section 39 shall apply with respect to the credit carryforward under this paragraph.

'(f) Special Rules.—For purposes of this section—

'(1) Basis Reduction.—The basis of any property shall be reduced by the portion of the cost of such property taken into account under subsection (a).

'(2) No Double Benefit.—No deduction shall be allowed under section 179A with respect to any property with respect to which a credit is allowed under subsection (a).

'3) Property Exempt Entity.—In the case of any qualified alternative fuel vehicle refueling property the use of which is described in paragraph (3) or (4) of section 50(b) of chapter 1, if a property in which the person who sold such property to the person or entity using such property shall be treated as the taxpayer that placed such property into service, but only if the person or entity clearly discloses to such person or entity in a document the amount of any credit allowable under subsection (a) with respect to such property (determined without regard to subsection (d)).

'4) Property Used outside United States Not Qualified.—No credit shall be allowed under subsection (a) with respect to any property (other than property referred to in section 50b(b)(1)) or with respect to the portion of the cost of any property taken into account under section 179.

'5) Election Not to Take Credit.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

'6) Recapture Rules.—Rules similar to the rules of section 179(a)(4) shall apply.

'(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section.

'(h) Termination.—This section shall not apply with respect to—

'(1) in the case of property relating to hydrogen, after December 31, 2014, and

'(2) in the case of any other property, after December 31, 2008.

(b) Modifications to Extension of Deduction for Certain Refueling Property.—

'(1) Increase in Deduction for Hydrogen Infrastructure.—Section 179d(h)(2)(A)(i) is amended by inserting ‘‘$200,000 in the case of property relating to hydrogen’’ after ‘‘$100,000,000.’’

'(2) Extension of Deduction.—Subsection (f) of section 179A is amended to read as follows:

'(f) Termination.—This section shall not apply to any property placed in service—

'(1) in the case of property relating to hydrogen, after December 31, 2014, and

'(2) in the case of any other property, after December 31, 2008.

(c) Incentive for Production of Hydrogen at Qualified Clean-Fuel Vehicle Refueling Property.—

'(1) In General.—The qualified investment in property relating to hydrogen produced from another clean-burning fuel, paragraph (3)(A) shall be applied by substituting ‘‘production, storage, or dispensing’’ for ‘‘storage or dispensing’’ both places it appears.

'(d) Conforming Amendments.—

'(1) Section 1016(a), as amended by this Act, is amended by striking ‘‘and’’ at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting ‘‘, and’’, and by adding at the end the following new paragraph:

'(38) to the extent provided in section 30B.

'(2) Section 55(c)(2), as amended by this Act, is amended by inserting ‘‘30C(e),’’ after ‘‘30B(e),’’.

'(3) Section 6501(m) is amended by inserting ‘‘30C(e),’’ after ‘‘30B(e),’’.

'(4) The table of sections for part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30B the following new item:

'Sec. 30C. Clean-fuel vehicle refueling property credit.’’

(e) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2005, in taxable years ending after such date.

(f) Nonapplication of Section.—Notwithstanding any other provision of this Act, the provisions of, and amendments made by, section 1553 of this Act shall be null and void.

SA 932. Mr. LEVIN (for himself and Mr. BAYH) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the end add the following:

TITLE XVII—TAX INCENTIVES FOR ALTERNATIVE MOTOR VEHICLES AND FUELS

SUBTITLE A—FUEL INCOME TAX INCENTIVES

SEC. 1701. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—FUEL INCOME TAX INCENTIVES

SEC. 1702. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by this Act, as amended by adding at the end the following new section:

'SEC. 30B. ADVANCED TECHNOLOGY MOTOR VEHICLE MANUFACTURING CREDIT.''

'(a) Credit Allowed.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 35 percent of so much of the qualified investment of an eligible taxpayer for such taxable year as does not exceed $200,000,000.

'(b) Qualified Investment.—For purposes of this section—

'(1) In General.—The qualified investment for any taxable year is equal to the incremental costs incurred during such taxable year:

'(A) to re-equip or expand any manufacturing facility of the eligible taxpayer to produce advanced technology motor vehicles or to produce eligible components,

'(B) for engineering integration of such vehicles or eligible components as described in subsection (d), and

'(C) for research and development related to advanced technology motor vehicles and eligible components.

'(2) Attribution Rules.—In the event a facility of the eligible taxpayer produces both
advanced technology motor vehicles and conventional motor vehicles, or eligible and non-eligible components, only the qualified investment attributable to production of advanced technology motor vehicles and eligible components shall be taken into account.

"(c) Advanced Technology Motor Vehicles and Eligible Components.—For purposes of this section:

"(1) Advanced Technology Motor Vehicle.—The term ‘advanced technology motor vehicle’ means:

"(A) any new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3)), or

"(B) any new qualified hybrid motor vehicle (as defined in section 302(d)(2)(A) and determined without regard to any gross vehicle weight rating).

"(2) Eligible Components.—The term ‘eligible component’ means any component inherent to any advanced technology motor vehicle, including:

"(A) with respect to any gasoline or diesel-electric new qualified hybrid motor vehicle—

"(i) electric motor or generator,

"(ii) power split device,

"(iii) power control unit,

"(iv) power inverter device,

"(v) integrated starter generator, or

"(vi) battery,

"(B) with respect to any hydraulic new qualified hybrid motor vehicle—

"(i) hydraulic accumulator vessel,

"(ii) hydraulic pump, or

"(iii) hydraulic pump-motor assembly.

"(C) with respect to any new advanced lean burn technology motor vehicle—

"(i) diesel engine,

"(ii) turbocharger,

"(iii) air induction system, or

"(iv) after-treatment system, such as a particle filter or NOx absorber, and

"(D) with respect to any advanced technology motor vehicle, any other component submitted for approval by the Secretary.

"(e) Engineering Integration Costs.—For purposes of subsection (b)(1)(B), costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks related to—

"(1) establishing functional, structural, and performance requirements for component and subsystems to meet overall vehicle objectives for a specific application,

"(2) selecting system components and subsystems with mating systems within a specific vehicle application,

"(3) designing cost effective, efficient, and reliable engine systems to produce components and subsystems for a specific vehicle application, and

"(4) validating functionality and performance of components and subsystems for a specific vehicle application.

"(f) Eligible Taxpayer.—For purposes of this section, the term ‘eligible taxpayer’ means any person who elects to take a credit under section 30(a), or any person who files what purports to be a claim for such a credit, if the Secretary determines that the person is entitled to such a credit.

"(g) Reduction in Basis.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property attributable to such expenditure shall be reduced by the amount of the credit so allowed.

"(h) No Double Benefit.—

"(1) Coordination with Other Deductions and Credits.—Except as provided in paragraph (2), the amount of any deduction or other credit allowable under this chapter for any costs taken into account in determining the amount of the credit under subsection (a) shall be reduced by the amount of such credit attributable to such cost.

"(2) Research and Development Costs.—

"(A) in general.—Except as provided in subparagraph (B), any amount described in subsection (b)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year shall not be taken into account for purposes of determining the credit under section 41 for such taxable year.

"(B) Costs Taken into Account in Determining Base Period Research Expenditures.—Any amounts described in subsection (b)(1)(C) taken into account in determining the amount of the credit under subsection (a) for any taxable year which are qualified research expenditures (within the meaning of section 174(d)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

"(i) Business Carryovers Allowed.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (f) for such taxable year, such excess (to the extent of the credit allowable with respect to property subject to the allowance for engineering integration described in section 30(e)) shall be allowed as a credit carryback and carryforward under rules similar to the rules of section 39.

"(j) Special Rules.—For purposes of this section, rules similar to the rules of paragraphs (4) and (5) of section 179(a) and paragraphs (1) and (2) of section 41(f) shall apply.

"(k) Election Not to Take Credit.—No credit shall be allowed under subsection (a) for any property if the taxpayer elects not to have this section apply to such property.

"(l) Regulations.—The Secretary shall prescribe such regulations as necessary to carry out the provisions of this section.

"(m) Termination.—This section shall not apply to any qualified investment after December 31, 2010.

"(n) Conforming Amendments.—

"(1) Section 10104(a), as amended by this Act, is amended by striking ‘‘and’’ at the end of paragraph (39), by striking the period at the end of paragraph (40) and inserting “, and”, and, by adding at the end the following new paragraph:

"(41) to the extent provided in section 30d(e).

"(2) Section 6501(m), as amended by this Act, is amended by inserting ‘‘30d(k),’’ after ‘‘30c(k),’’.

"(3) The table of sections for subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30c the following new item:

‘‘Sec. 30d. Advanced technology motor vehicles manufacturing credit.’’

"(o) Effective Date.—The amendments made by this section shall apply to expenditures incurred in taxable years beginning after December 31, 2005.

SEC. 1711. Treatment of Contingent Payment Convertible Debt Instrument—

"(A) General.—Section 1275(d) (relating to regulation authority) is amended—

"(1) by striking ‘‘The Secretary’’ and inserting in its place ‘‘the Secretary’’; and

"(2) by adding at the end the following new paragraph:

"(c) Treatment of Contingent Payment Convertible Debt.—

"(A) General.—In the case of a debt instrument—

"(B) Special Rule.—For purposes of subparagraph (A), the conversion which will be determined without taking into account the yield resulting from the conversion of a debt instrument into stock shall be:

\[\text{yield after the date of the enactment of this Act.}\]

SEC. 1712. FRIVOLOUS TAX SUBMISSIONS.

"(a) Civil Penalties.—Section 6702 is amended to read as follows:

"(b) Civil Penalty for Frivolous Tax Returns.—A person shall pay a penalty of $5,000 if—

"(1) such person files what purports to be a return of a tax imposed by this title but which—

"(A) does not contain information with respect to the substantiality of the self-assessment as may be required, or

"(B) contains information that on its face indicates that the self-assessment is substantially incorrect; and

"(2) the conduct referred to in paragraph (1)—

"(A) is based on a position which the Secretary has identified as frivolous under section 6702(c), or

"(B) reflects a desire to delay or impede the administration of Federal tax laws.

"(c) Civil Penalty for Specified Frivolous Submissions.—

"(1) Imposition of Penalty.—Except as provided in paragraph (3), any person who submits a specified frivolous submission shall pay a penalty of $5,000.

"(2) Specified Frivolous Submission.—For purposes of this section—

"(A) Specified Frivolous Submission.—The term ‘specified frivolous submission’ means a specified submission if any portion of such submission—

"(i) is based on a position which the Secretary has identified as frivolous under section 6702(c), or

"(ii) reflects a desire to delay or impede the administration of Federal tax laws.

"(B) Specified Submission.—The term ‘specified submission’ means—

grounds for the requested hearing under subsection (a)(3)(B) and states the section (a)(3)(B) amended.

(b) REVISED LIST OF POSITIONS. —

(c) LISTING OF FRIVOLOUS POSITIONS. — The Secretary shall prescribe (and periodically revise) a list of positions which the Secretary has identified as being frivolous for purposes of this subsection. The Secretary shall not include in such list any position that the Secretary determines meets the requirement of section 6622(d)(2)(B)(ii)(I).

(d) REDUCTION OF PENALTY. — The Secretary may reduce the amount of any penalty imposed under this section if the Secretary determines that such reduction would promote compliance with and administration of the laws.

(e) PENALTIES IN ADDITION TO OTHER PENALTIES. — The penalties imposed by this section shall be in addition to any other penalty provided by law.

(b) TREATMENT OF FRIVOLOUS REQUESTS FOR HEARINGS BEFORE LEVY. —

(1) FRIVOLOUS REQUESTS DISREGARDED. — Section 6330 (relating to notice and opportunity for hearing before levy) is amended by adding at the end the following new subsection:

(g) FRIVOLOUS REQUESTS FOR HEARING, ETC. — Notwithstanding any other provision of this section, if the Secretary determines that any portion of a request for a hearing under this section or section 6330 meets the requirements of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.

(c) CLEARIEST AMENDMENT. — The table of sections for part I of chapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

“Sec. 6702. Frivolous tax submissions.”

(f) EFFECTIVE DATE. — The amendments made by this section shall apply to submissions made after the date on which the Secretary first prescribes a list under section 6702(c) of the Internal Revenue Code of 1986, as amended by subsection (a).

SEC. 1715. INCREASE IN CERTAIN CRIMINAL PENALTIES.

(a) IN GENERAL. — Section 7203 (relating to fraud and false statements) is amended—

(1) by striking “Any person who—” and inserting “(a) In General.—Any person who—”;

(2) by adding at the end the following new subsection:

(b) INCREASE IN PENALTIES. —

(1) ATTEMPT TO EVADE OR DEFECT TAX. — Section 7203 is amended—

(A) by striking “$100,000” and inserting “$500,000”,

(B) by striking “$500,000” and inserting “$1,000,000”, and

(C) by striking “5 years” and inserting “10 years”.

(2) WILLFUL FAILURE TO FILE RETURN, SUPPLEMENTARY INFORMATION, OR PAY TAX. — Section 7203 is amended—

(A) in the first sentence—

(i) by striking “Any person” and inserting the following:

(a) In General.—Any person,

(ii) by striking “$25,000” and inserting “$50,000”,

(B) in the second sentence, by striking “section” and inserting “subsection”, and

(C) by adding at the end the following new subsection:

(b) AGGRAVATED FAILURE TO FILE.—

(1) IN GENERAL.—In the case of any failure described in paragraph (2), the first sentence of subsection (a) shall be applied by substituting—

(A) “felony” for “misdemeanor”,

(B) “$500,000” ($1,000,000, $25,000 ($100,000), and

(C) “10 years” for “1 year”.

(2) FAILURE DESCRIBED. — A failure described in this paragraph is a failure to make a return described in paragraph (a) for a period of 3 or more consecutive taxable years and the aggregated tax liability for such period is at least $100,000.

SEC. 1716. FRAUD AND MISSTATEMENTS.

(a) TREATMENT OF FRIVOLOUS APPLICATONS FOR OFFENSES IN-COMPLIANCE AND INSTALLMENT AGREEMENTS. — Section 7122 is amended by adding at the end the following new subsection:

“(e) FRIVOLOUS SUBMISSIONS. — Notwithstanding any other provision of this section, if the Secretary determines that any portion of an application for an offer-in-compliance or installment agreement submitted under this section or section 6159 meets the requirement of clause (i) or (ii) of section 6702(b)(2)(A), then the Secretary may treat such portion as if it were never submitted and such portion shall not be subject to any further administrative or judicial review.”

(e) CLEARIEST AMENDMENT. — The table of sections for part I of chapter B of chapter 68 is amended by striking the item relating to section 6702 and inserting the following new item:

“Sec. 6702. Frivolous tax submissions.”

(f) EFFECTIVE DATE. — The amendments made by this section shall apply to applications, offers, etc. made or received after the date of the enactment of this Act.

SEC. 1714. DOUBLING OF CERTAIN PENALTIES, FINDS, AND INTEREST ON UNDERPAYMENTS RELATED TO CERTAIN OFFSHORE FINANCIAL ARRANGEMENTS.

(a) DETERMINATION OF PENALTY. —

(1) IN GENERAL. — Notwithstanding any other provision of law, in the case of an applicable taxpayer—

(A) the determination as to whether any interest or applicable penalty is to be imposed with respect to any arrangement described in subsection (a) or an underpayment of Federal income tax attributable to items arising in connection with any such arrangement, shall be made without regard to the rules of subsections (b), (c), and (d) of section 6664 of the Internal Revenue Code of 1986, and

(B) if any such interest or applicable penalty is imposed, the amount of such interest or penalty shall be equal to twice that determined without regard to this section.

(2) APPLICABLE TAXPAYER.—For purposes of this subsection—

(A) IN GENERAL.—The term “applicable taxpayer” means a taxpayer which—

(i) has underreported its United States income tax liability attributable to an item which directly or indirectly involves—

(I) any financial arrangement which in any manner relies on the use of offshore payment mechanisms (including credit, debit, or charge cards) issued by banks or other entities in foreign jurisdictions, or

(II) any offshore financial arrangement (including any arrangement with foreign banks, financial institutions, corporations, partnerships, trusts, or other entities), and

(ii) has not signed a closing agreement pursuant to the Voluntary Offshore Compliance Initiative established by the Department of the Treasury under Revenue Procedure 2003-11 or voluntarily disclosed its participation in such arrangement by notifying the Internal Revenue Service of such arrangement prior to the issue being raised by the Internal Revenue Service during an examination.

(B) AUTHORITY TO WAIVE.—The Secretary of the Treasury or the Secretary’s delegate may waive the application of paragraph (1) to any taxpayer if the Secretary or the Secretary’s delegate determines that the use of such offshore payment mechanisms is incidental to the transaction and, in addition, in the case of a trade or business, such use is conducted in the ordinary course of the trade or business of the taxpayer.

(C) ISSUES RAISED.—For purposes of subparagraph (A)(ii), an item shall be treated as an issue raised during an examination if the individual examining the return—

(i) communicates to the taxpayer knowledge about the specific item, or

(ii) has made a request for taxpayer information and the taxpayer could not make a complete response to that request without giving the examiner knowledge of the specific item.

(d) DEFINITIONS AND RULES.—For purposes of this section—

(1) APPLICABLE PENALTY.—The term “applicable penalty” means any penalty, addition to tax, or fine imposed under chapter 68 of the Internal Revenue Code of 1986.

(2) FEES AND EXPENSES.—The Secretary of the Treasury may retain and use an amount not in excess of 25 percent of all additional interest, penalties, additions to tax, and fines collected under section 6664 for enforcement and collection activities of the Internal Revenue Service. The Secretary
shall keep adequate records regarding amounts so retained and used. The amount credited as paid by any taxpayer shall be determined without regard to this paragraph.

(c) Reporting Requirement.—The Secretary shall each year conduct a study and report to Congress on the implementation of this section during the preceding year, including statistical data number of taxpayers affected by such implementation and the amount of interest and applicable penalties asserted, waived, and assessed during such preceding year.

(d) Effective Date.—The provisions of this section shall apply to interest, penalties, additions to tax, and any other amount referred to in this paragraph with respect to any taxable year if, as of the date of the enactment of this Act, the assessment of any tax, penalty, or interest with respect to such taxable year is not prevented by the operation of any law or rule of law.

SEC. 1715. MODIFICATION OF INTERACTION BETWEEN SUBPART F AND PASSIVE FOREIGN INVESTMENT COMPANY RULES.

(a) Limitation on Exception from PFIC Rules for United States Shareholders of Corporations Controlled for 12 Continuous Months.—Paragraph (2) of section 1297(c) (relating to passive foreign investment company) is amended by adding at the end the following flush sentence:

"Such term shall not include any period if the earning of subpart F income by such corporation during such period would result in only one year in the period of an individual's gross income under section 951(a)(1)(A)(i)."

(b) Effective Date.—The amendment made by this section shall apply to taxable years of controlled foreign corporations beginning after March 2, 2005, and to taxable years of United States shareholders with or within such taxable years of controlled foreign corporations end.

SEC. 1716. DECLARATION BY CHIEF EXECUTIVE OFFICER RELATING TO FEDERAL CORPORATE INCOME TAX RETURN.

(a) In General.—The Federal annual tax return of a corporation with respect to such income shall also include a declaration signed by the chief executive officer of such corporation (or other such officer of the corporation as the Secretary of the Treasury may designate if the corporation does not have a chief executive officer), under penalties of perjury, that the corporation has in place procedures that ensure that such return complies with the Internal Revenue Code of 1986 and that the chief executive officer was provided reasonable assurance of the accuracy of all material aspects of such return. The preceding sentence shall not apply to any return of a regulated investment company (within the meaning of section 551 of the Code).

(b) Effective Date.—This section shall apply to Federal annual tax returns for taxable years ending after the date of the enactment of this Act.

SEC. 1717. TREASURY REGULATIONS ON FOREIGN TAX CREDIT.

(a) In General.—Section 901 (relating to taxes of foreign countries and of possessions of the United States) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection (m):

"(m) Regulations.—The Secretary may prescribe regulations disallowing a credit under subsection (a) for all or a portion of any tax imposed by a foreign country upon any 2 or more persons, in cases where the foreign tax is imposed on any person in respect of income of another person or in other cases of appropriate disallowance of the foreign tax from the related foreign income."

(b) Effective Date.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

SEC. 1718. WHISTLEBLOWER REFORMS.

(a) In General.—Section 7623 (relating to expenses of detection of underpayments and fraud, etc.) is amended by—

(1) by striking "the Secretary" and inserting "the Secretary and the Whistleblower Office,"

(2) by striking "and at the end of paragraph (1) and inserting "or (B) a request for assistance,"

(3) by striking "With respect to any" and inserting "With respect to any") and by striking the period at the end of such paragraph and inserting a comma.

(b) Award to Whistleblowers.—

(1) In General.—If the Secretary proceeds with any request for assistance described in subsection (a) on information brought to the attention by an individual, such individual shall, subject to paragraph (2), receive as an award at least 15 percent but not more than 30 percent of the amount resulting from the action (including any related actions) or from any settlement of such request for assistance.

(2) Award in Case of Less Substantial Contribution.—

(A) In General.—In the event the action described in paragraph (1) is one which the Whistleblower Office determines to be based principally on disclosures of specific allegations (other than information provided by the individual described in paragraph (1)) resulting from a judicial or administrative hearing, from a governmental report, hearing, or investigation, from the news media, or from the activities of a governmental entity, the Whistleblower Office may award such sums as it considers appropriate, but in no case more than 10 percent of the collected proceeds (including penalties, interest, additions to tax, and additional amounts) resulting from the action (including any related actions) or from any settlement of such request for assistance.

(B) Nonapplication of Paragraph Where Individual Is Original Source of Information.—

Section (a)(2) shall not apply to any individual described in paragraph (1) if the information resulting in the initiation of the action described in paragraph (1) was originally provided by the individual described in that paragraph.

(C) Reduction in or Denial of Award.—

If the Whistleblower Office determines that the claim for an award under paragraph (1) or (2) is based on information provided by the individual described in paragraph (1) and the Whistleblower Office determines that the action was initiated by such individual and that the amount resulting from the action described in such paragraph was contributed to such action.

(4) Appeal of Award Determination.—

Any determination regarding an award under paragraph (1), (2), or (3) shall be subject to the same procedures provided in such paragraph of a petition for review with the Tax Court under rules similar to the rules under section 7463 (without regard to the $25,000 limitation) for categories of petition described in paragraph (2). Any such petition shall be subject to the rules under section 7661(b)(1).

(5) Application of This Subsection.—This subsection shall apply with respect to any action—

(A) against any taxpayer, but in the case of any individual, only if such individual's gross income exceeds $200,000 for any taxable year subject to such action, and

(B) if the tax, penalties, interest, additions to tax, and additional amounts in dispute exceed $20,000.

(6) Additional Rules.—

(A) No Contract Necessary.—No contract with the Internal Revenue Service is necessary for any individual to receive an award under this subsection.

(B) Representation.—Any individual described in paragraph (1) or (2) may be represented by counsel.

(C) Award Not Subject to Individual Alternative Minimum Tax.—No award received under this subsection shall be included in gross income for purposes of determining alternative minimum taxable income.

(c) Whistleblower Office.—

(1) In General.—There is established in the Internal Revenue Service an office to be known as the ‘Whistleblower Office’ which—

(A) shall at all times operate at the direction of the Commissioner and coordinate and consult with other divisions in the Internal Revenue Service as directed by the Commissioner,

(B) shall analyze information received from any individual described in subsection (b) and either investigate the matter itself or assign it to the appropriate Internal Revenue Service office,

(C) shall monitor any action taken with respect to such matter.

(D) shall inform any individual that it has accepted the individual’s information for further review,

(E) may require such individual and any other individual or legal representative of such individual to disclose any information so provided,

(F) shall keep in its sole discretion any information provided by any individual or legal representative of such individual for additional assistance from such individual or any legal representative of such individual, and

(G) shall determine the amount to be awarded to such individual under subsection (b).

(2) Funding for Office.—There is authorized to be appropriated $10,000,000 for each fiscal year for the Whistleblower Office. These funds shall be used to maintain the Whistleblower Office and also to reimburse the costs associated with any additional assistance from such individual or any legal representative of such individual, and to the extent the disclosure of any returns or return information to the individual or legal representative is required for the performance of such assistance, such disclosure shall be pursuant to a contract entered into between the Secretary and the recipients of such disclosure subject to section 6103(m).

(3) Request for Assistance.—

(A) In General.—If the Secretary receives a request under paragraph (1)(F) shall be submitted to the Whistleblower Office or the office assigned to investigate the matter under subparagraph (A).

(B) Grant of Request for Assistance.—The Secretary shall each year conduct a study and report to Congress on the use of this section, including—

(1) a summary of the facts and circumstances of each case in which assistance was granted or denied,

(2) the reasons for granting assistance or denying assistance in each case,

(3) an analysis of the use of this section during the preceding year and the results of such use, and
“(2) any legislative or administrative recommendations regarding the provisions of this section and its application.”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to information provided on or after the date of the enactment of this Act.

SEC. 1719. DENIAL OF DEDUCTION FOR CERTAIN FINES, PENALTIES, AND OTHER AMOUNTS.

(a) In General.—Subsection (f) of section 162 (relating to trade or business expenses) is amended to read as follows:

“(1) FINES, PENALTIES, AND OTHER AMOUNTS.—

“(i) IN GENERAL.—As provided in clause (ii) or (iii), in the case of any listed transaction, the amendments made by subsection (c) shall also apply with respect to interest accruing on or before October 3, 2004.

“(ii) PARTICIPANTS IN SETTLEMENT INITIATIVES.—Clause (i) shall not apply to a listed transaction if, as of May 9, 2005—

“(I) the taxpayer is participating in a published settlement initiative which is offered by the Secretary of the Treasury or his delegate to a group of similarly situated taxpayers claiming benefits from the listed transaction, or

“(II) the taxpayer has entered into a settlement agreement pursuant to such an initiative with respect to the tax liability arising in connection with the listed transaction.

Subclause (I) shall not apply to the taxpayer if, after May 9, 2005, the taxpayer withdraws from, or terminates, participation in the initiative or the Secretary or his delegate determines that a settlement agreement will not be reached pursuant to the initiative within a reasonable period of time.

“(iii) CLOSED TRANSACTIONS.—Clause (i) shall not apply to a listed transaction if, as of May 9, 2005—

“(I) the assessment of all Federal income taxes for the taxable year in which the tax liability to which the interest relates arose is prevented by the operation of any law or rule of law, or

“(II) a closing agreement section 7121 has been entered into with respect to the tax liability arising in connection with the listed transaction.

(b) EXCEPTION FOR AMOUNTS Constituting RECOVERY.—Paragraph (a) shall not apply to any amount which—

“(A) the taxpayer establishes constitutes restitution (including compensation (whether by suit, agreement, or otherwise) to, or at the direction of, a government or entity described in paragraph (4) in relation to the violation of any law or the investigation or inquiry by such government or entity into the potential violation of any law.

“(B) is restitution in the court order or settlement agreement.

Identification pursuant to subparagraph (B) alone shall not satisfy the requirement under subparagraph (A). This paragraph shall not apply to any amount paid or incurred as reimbursement to the government or entity for the costs of any investigation or litigation.

“(3) EXCEPTION FOR AMOUNTS PAID OR INCURRED AS THE RESULT OF CERTAIN COURT ORDERS.—Paragraph (1) shall not apply to any amounts paid or incurred as reimbursement to the government or entity described in paragraph (4) in a suit in which no government or entity is a party.

“(A) a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) in connection with a qualified board or exchange (as defined in section 1256(g)(7)), or

“(B) to the extent provided in regulations, a nongovernmental entity which exercises self-regulatory powers (including imposing sanctions) as part of performing an essential governmental function.

“(5) EXCEPTION FOR TAXES DUE.—Paragraph (1) shall not apply to any amount paid or incurred as taxes due.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which it relates.


(a) REPEAL OF EXCISIION FOR QUALIFIED TRANSPORTATION PROPERTY.—Section 89(h)(6)(B) of the American Jobs Creation Act of 2004 is amended to—

“(1) in subsection (h), by striking paragraphs (1) and (2) and by redesignating paragraphs (3) and (4) as paragraphs (1) and (2).

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004.

SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

(a) GENERAL RULES.—For purposes of this subtitle—

“(1) MARK TO MARKET.—Except as provided in subsections (d) and (f), all property of a covered expatriate to whom this section applies shall be treated as sold on the day before the expiration date for its fair market value.

“(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

“(A) notwithstanding any other provision of this title, any gain or loss from such sale shall be taken into account for the taxable year of the sale, and

“(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply to any such loss.

(b) SPECIAL RULE FOR CERTAIN LISTED TRANSACTIONS.

“(1) IN GENERAL.—As provided in clause (ii) or (iii), in the case of any listed transaction, the amendments made by subsection (c) shall apply with respect to interest accruing after October 3, 2004.

“(2) RULE FOR CERTAIN LISTED TRANSACTIONS.—

“(A) IN GENERAL.—The amount which, but for this paragraph, would be includible in the gross income of any individual by reason of this section shall be reduced (but not below zero) by $500,000. For purposes of this paragraph, allocable expatiation gain taken into account under subsection (a) shall be treated in the same manner as an amount required to be includible in gross income.

“(B) CREDIT-TAX LIABILITY.—In the case of any listed transaction occurring in any calendar year after 2005, the $500,000 amount under subparagraph (A) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(II) the cost-of-living adjustment determined under section 1256(g)(7) for the calendar year 2004 for ‘calendar year 1992’ in paragraph (B) thereof.

“(C) Rounding Rules.—If any amount after adjustment under clause (i) is not a multiple of $1,000, such amount shall be rounded to the next lower multiple of $1,000.

“(D) ELECTION TO CONTINUE TO BE TAXED AS UNITED STATES CITIZEN.—

“(A) IN GENERAL.—If a covered expatriate elects the application of this paragraph—

“(B) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004 to which it relates.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provisions of the American Jobs Creation Act of 2004.
(4), unless the taxpayer corrects such failure within the time specified by the Secretary).

‘‘(4) SECURITY.—

‘‘(A) IN GENERAL.—No election may be made under paragraph (1) with respect to any property unless adequate security is provided to the Secretary with respect to such property.

‘‘(B) ADEQUATE SECURITY.—For purposes of subparagraph (A), security with respect to any property shall be treated as adequate security if—

(i) it is a bond in an amount equal to the deferred tax amount under paragraph (2) for the property, or

(ii) the taxpayer otherwise establishes to the satisfaction of the Secretary that the security is adequate.

‘‘(5) WAIVER OF CERTAIN RIGHTS.—No election may be made under paragraph (1) with respect to an interest in a trust described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a trust with respect to which gain is required to be treated as a covered expatriate if the Secretary specifies in regulations.

‘‘(6) ELECTIONS.—An election under paragraph (1) shall only apply to property described in the election and, once made, is irrevocable. An election may be made under paragraph (1) with respect to an interest in a trust with respect to which gain is required to be treated as a covered expatriate.

‘‘(7) INTEREST.—For purposes of section 6601—

‘‘(A) the last date for the payment of tax shall be determined without regard to the election under this subsection, and

‘‘(B) section 6621(a)(2) shall be applied by substituting ‘5 percentage points’ for ‘3 percentage points’ in subparagraph (B) thereof.

‘‘(c) COVERED EXPATRIATE.—For purposes of this section—

‘‘(1) IN GENERAL.—Except as provided in paragraph (2), the term ‘covered expatriate’ means an expatriate.

‘‘(2) EXCEPTIONS.—An individual shall not be treated as a covered expatriate if—

‘‘(A) the individual—

(i) became at birth a citizen of the United States and a citizen of another country and, as of the expatriation date, continues to be a citizen of, and is taxed as a resident of, such other country, and

(ii) has been a resident of the United States as defined in section 7701(b)(1)(A)(i) during the 5 taxable years ending with the taxable year during which the expatriation date occurs, or

(B) the individual’s relinquishment of United States citizenship occurs before such individual attains age 18, and

(C) an individual has been a resident of the United States (as so defined) for not more than 5 taxable years before the date of relinquishment.

‘‘(d) EXEMPT PROPERTY; SPECIAL RULES FOR PENSION PLANS.—

‘‘(1) EXEMPT PROPERTY.—This section shall not apply to the following:

‘‘(A) any United States real property interest (as defined in section 897(c)(1)), other than sections of a United States real property holding corporation which does not, on the day before the expatriation date, meet the requirements of section 897(c)(2).

‘‘(B) SPECIFIED PROPERTY.—Any property or interest in property not described in subparagraph (A) which the Secretary specifies in regulations.

‘‘(2) SPECIAL RULES FOR CERTAIN RETIREMENT PLANS.—

‘‘(A) IN GENERAL.—If a covered expatriate holds on the day before the expatriation date any interest in a retirement plan to which this paragraph applies, the provisions of this paragraph shall apply to the interest.

‘‘(B) TREATMENT OF SUBSEQUENT DISTRIBUTIONS.—In the case of any distribution on or after the expiration date to or on behalf of such an individual with respect to which gain is required to be treated as a covered expatriate, the amount otherwise includable in gross income by reason of the section 871(b) distribution shall be reduced by the excess of the amount includable in gross income under subparagraph (A) over any portion of such amount to which this subparagraph previously applied.

‘‘(C) TREATMENT OF SUBSEQUENT DISTRIBUTIONS BY PLAN.—For purposes of this title, a retirement plan to which this paragraph applies, and any person acting on the plan’s behalf, shall treat any subsequent distribution described in subparagraph (A) in the same manner as such distribution would be treated without regard to this paragraph.

‘‘(D) APPLICABLE PLANS.—This paragraph shall apply—

(i) to any qualified retirement plan (as defined in section 4975(c)),

(ii) to any eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A), and

(iii) to any plan treated in regulations, any foreign pension plan or similar retirement arrangements or programs.

‘‘(e) DEFINITIONS.—For purposes of this section—

‘‘(1) EXPATRIATE.—The term ‘expatriate’ means—

(A) any United States citizen who relinquishes citizenship, and

(B) any long-term resident of the United States who—

(i) ceases to be a lawful permanent resident of the United States (within the meaning of section 701(b)(6)), or

(ii) commences to be treated as a resident of a foreign country under the provisions of a tax treaty between the United States and the foreign country and who does not waive the benefits of such treaty applicable to residents of the United States, or

(2) EXPATRIATION DATE.—The term ‘expatriation date’ means—

(A) the date an individual relinquishes United States citizenship,

(B) in the case of a long-term resident of the United States, the date of the event described in clause (i) of paragraph (1)(B); or

(3) RELINQUISHMENT OF CITIZENSHIP.—A citizen shall be treated as relinquishing United States citizenship on the earliest of—

(A) the date the individual renounces such individual’s United States nationality before a diplomatic or consular officer of the United States pursuant to paragraph (5) of section 348(f) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(5)),

(B) the date the individual furnishes to the United States Department of State a signed statement of voluntary relinquishment of United States nationality confirming the performance of an act of expatriation specified in paragraph (1), (2), (3), or (4) of section 349(a) of the Immigration and Nationality Act (8 U.S.C. 1481(a)(1)-(4)),

(C) the date the United States Department of State issues to the individual a certificate of naturalization.

‘‘(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.

‘‘(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.

‘‘(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.

‘‘(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.

‘‘(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.

‘‘(D) the date a court of the United States cancels a naturalized citizen’s certificate of naturalization.
regulations, by the amount of taxes imposed by subparagraph (A) on distributions from the trust with respect to nonvested interests not held by such person.

(ii) ALLOCABLE EXPATRIATION GAIN.—For purposes of this paragraph, the allocable expatriation gain with respect to any beneficiary's interest in a trust is the amount of gain allocable to such beneficiary's vested and nonvested interests in the trust if the beneficiary held directly all assets allocable to such interest.

(2) TAX DEDUCTED AND WITHHELD.—

(i) IN GENERAL.—The tax imposed by subparagraph (A)(ii) shall be deducted and withheld by the payor from the distribution to which it relates.

(ii) EXCEPTION WHERE FAILURE TO WAIVE TREATY RIGHTS.—If an amount may not be deducted or withheld under paragraph (1), the amount of such tax and any other beneficiary of the trust shall be entitled to receive the amount equal to the amount of tax which would be due and payable at the time and in the manner prescribed by the Secretary.

(3) DETERMINATION OF BENEFICIARIES.

(A) IN GENERAL.—The term ‘qualified trust’ means any interest which, as of the day before the expatriation date, is vested in the trust imposed by subparagraph (A)(ii), there is hereby imposed a tax equal to the lesser of—

(i) the tax determined under paragraph (1) as if the day before the expiration date were the date of such cessation, disposition, or death (as applicable), or

(ii) the balance in the tax deferred account immediately before such date.

Such tax shall be imposed on the trust and each trustee shall be personally liable for the amount of such tax, and the amount of such tax shall be determined by assuming the maximum exercise of discretion in favor of the beneficiary and the occurrence of all contingencies in favor of the beneficiary.

(3) GIFT OR INHERITANCE.

(A) IN GENERAL.—The term ‘nonvested interest’ means any interest which is vested in the beneficiary and the occurrence of all contingencies in favor of the beneficiary.

(B) DUAL CITIZENS.—An individual shall not be treated as a United States citizen for purposes other than tax administration if—

(i) the individual is a citizen of the United States,

(ii) the individual is a United States citizen by reason of birth or adoption outside the United States, or

(iii) the individual is a United States citizen by reason of birth or adoption in the United States.

(4) CERTAIN RULES APPLY.

(A) IN GENERAL.—The special provisions of this section apply to transfers that occurred before the expatriation date.

(B) DUE DATE.—The due date for any tax imposed by paragraph (1) shall be the 90th day after the expatriation date.

(C) TREATMENT OF TAX.—Any tax paid under paragraph (1) shall be treated as a payment for the taxable year to which such payment relates.

(D) IMPOSITION OF TENTATIVE TAX.

(A) IN GENERAL.—If an individual is required to include any amount in gross income under subsection (a) for any taxable year, there is hereby imposed, immediately before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed if the taxable year were a short taxable year ending on the expatriation date.

(B) IMPOSITION OF TENTATIVE TAX.

(A) IN GENERAL.—If an individual is required to include any amount in gross income under section 401(a)(9) for any taxable year, there is hereby imposed, immediately before the expatriation date, a tax in an amount equal to the amount of tax which would be imposed if the taxable year were a short taxable year ending on the expatriation date.

(C) TREATMENT OF TAX.—Any tax paid under paragraph (1) shall be treated as a payment for the taxable year to which such payment relates.

(D) IMPOSITION OF LIEN.

(A) IN GENERAL.—If a covered expatriate makes an election under subsection (a)(4) or (b) which results in the deferral of any tax, there is hereby imposed, immediately before the expatriation date, a lien in favor of the United States on all property of the expatriate located in the United States.

(B) DEFERRED AMOUNT.—For purposes of this subsection, the deferred amount is the amount of the increase in the covered expatriate’s income tax which, but for the election under subsection (a)(4) or (b), would have occurred by reason of this section for the taxable year including the expatriation date.

(C) INTEREST.—The lien imposed by this subsection shall expire on the expatriation date and continue until—

(i) the amount imposed by this subsection is satisfied or has become unenforceable by reason of lapse of time, or

(ii) the other beneficiary.

The trustee shall be personally liable for the amount of such tax and any other beneficiary of the trust shall be entitled to receive the amount equal to the amount of tax which would be due and payable at the time and in the manner prescribed by the Secretary.

(4) TERMINATION OF DEFERRALS, ETC.—In the case of any covered expatriate, notwithstanding any other provision of this title—

(A) any period during which recognition of income or gain is deferred shall terminate on the day before the expatriation date, and

(B) any extension of time for payment of tax expired on the day before the expiration date, and the unpaid portion of such tax shall be due and payable at the time and in the manner prescribed by the Secretary.

(5) TERMINATION OF UNITED STATES CITIZENSHIP.

(A) IN GENERAL.—Section 7701(a) is amended by adding at the end the following new paragraph:

(B) DUAL CITIZENS.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became a citizen of the United States and a citizen of another country.

(6) INELIGIBILITY FOR VISA OR ADMISSION TO UNITED STATES.

(A) IN GENERAL.—Section 212(a)(10)(E) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(10)(E)) is amended to read as follows:

(B) EXPATRIATION PROVISIONS.

Any alien who is a former citizen of the United States who relinquishes United States citizenship (within the meaning of section 877A of such Code) and who is not in compliance with the provisions of section 877A of such Code (relating to expatriation).

(7) REGULATIONS.

The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.

(B) INCLUSION IN INCOME OF GIFTS AND BEQUESTS RECEIVED BY UNITED STATES CITIZENS AND RESIDENTS FROM EXPATRIATES.—Section 877A(e)(3) of the Internal Revenue Code of 1986 is amended—

(1) IN GENERAL.—Subsection (a) shall not exclude from gross income the value of any property acquired by gift, bequest, devise, or inheritance from a covered expatriate after the expatriation date. For purposes of this subsection, any term used in this subsection which is also used in section 877A shall have the same meaning as when used in section 877A.

(2) EXCEPTIONS.

(A) THE GIFT, BEQUEST, DEVISE, OR INHERITANCE IS—

(i) SHOWN on a timely filed return of tax imposed by chapter 12 as a taxable gift by the covered expatriate, or

(ii) included in the gross estate of the covered expatriate for purposes other than tax administration, or

(iii) shown on a timely filed return of tax imposed by chapter 12 as a taxable gift by the covered expatriate, or

(B) THE COVERED EXPATRIATE'S DETERMINATION OF UNITED STATES CITIZENSHIP.

(A) IN GENERAL.—Section 7701(a) is amended by adding at the end the following new section:

(4) TERMINATION OF UNITED STATES CITIZENSHIP.

(A) IN GENERAL.—An individual shall not be treated as a United States citizen if—

(B) DUAL CITIZENS.—Under regulations prescribed by the Secretary, subparagraph (A) shall not apply to an individual who became a United States and a citizen of another country.

(9) REGULATIONS.

The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section.
(2) CONFORMING AMENDMENT.—The heading for section 162(g) is amended by inserting “OR PUNITIVE DAMAGES” after “LAWS”.

(b) INCLUSION IN INCOME OF PUNITIVE DAMAGES PAID BY EMPLOYER.—

(1) IN GENERAL.—Part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding after the end of the subsection:

“SEC. 91. PUNITIVE DAMAGES COMPENSATED BY INSURANCE OR OTHERWISE.

“Gross income shall include any amount paid to or on behalf of a taxpayer as insurance or otherwise by reason of the taxpayer’s liability (or agreement) to pay punitive damages.”.

(2) REPORTING REQUIREMENTS.—Section 6041 (relating to information at source) is amended by adding after the end the following new subsection:

“Sec. 91. Punitive damages compensated by insurance or otherwise.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to damages paid or incurred on or after the 90th day after the date of the enactment of this Act.

SEC. 1724. APPLICATION OF EARNINGS STRIPPING RULES TO EMPLOYERS WHICH ARE C CORPORATIONS.

(a) IN GENERAL.—Section 163(j) (relating to limitation on deduction for interest on certain corporate indebtedness and interest income of the partnership, this subsection shall be applied, for purposes of this subsection, to corporations which are C corporations.

(b) EFFECTIVE DATE.

(1) ALLOCATIONS TO CERTAIN CORPORATE PARTNERS.—If a C corporation is a partner in a partnership—

(A) the corporation’s allocable share of interest and other expenses of the partnership shall be taken into account in applying this subsection to the corporation, and

(B) if a deduction is not disallowed under this subsection, the amount paid or incurred on or after the date of the enactment of this Act by the partnership with respect to the corporation’s allocable share of such interest expenses.

(2) EXPENSES TREATED AS COMPENSATION.—The amendments made by this section shall apply to expenses paid or incurred on or after the date of the enactment of this Act.

SEC. 1725. PROHIBITION ON ADDITIONAL DEFERRAL OF GAIN FROM THE EXERCISE OF STOCK OPTIONS AND RESTRICTED STOCK GAINS THROUGH DEFERRED COMPENSATION ARRANGEMENTS.

(a) IN GENERAL.—Section 402(a)(1) (relating to property transferred in connection with performance of services) is amended by adding after the end the following new subsection:

“(b) Earnings from deferred compensation arrangements. To the extent that the expenses which are treated as compensation are allocated to an amount included in gross income for the taxable year of the exchange an amount equal to the present value of such right (or such other amount as the Secretary may by regulations specify). For purposes of this subsection, the term ‘employer security transfered to the taxpayer, for a right to receive future payments, then, in accordance with the terms of this title, there shall be included in gross income for the taxable year of the exchange an otherwise by reason of the other person

(1) TREBLE DAMAGES.

The table of parts for part II of subchapter B of chapter 1 (relating to items specifically included in gross income) is amended by adding after the end the following new subsection:

“Sec. 91. Punitive damages compensated by insurance or otherwise.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to damages paid or incurred on or after the date of the enactment of this Act.

SEC. 1726. LIMITATION OF EMPLOYER DEDUCTION FOR CERTAIN ENTERTAINMENT EXPENSES.

(a) IN GENERAL.—(1) Paragraph (2) of section 274(e) (relating to expenses treated as compensation) is amended to read as follows:

“(2) EXPENSES TREATED AS COMPENSATION.—

‘‘Expenses for goods, services, and facilities, to the extent that the expenses do not exceed the amount of the expenses which are treated by the employer, with respect to the recipient of the entertainment, amusement, or recreation, as compensation to an employee on the taxpayer’s return of tax under this chapter and as wages charged for purposes of chapter 24 (relating to withholding of income tax on source wages).’’.

(b) PERSONS NOT EMPLOYEES.—Paragraph (9) of section 274(e) is amended by striking “to the extent that the expenses are includible in the gross income” and inserting “to the extent that the expenses do not exceed the amount of the expenses which are includible in the gross income”.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to expenses incurred after the date of the enactment of this Act.

SEC. 1727. INCREASE IN PENALTY FOR BAD CHECKS AND MONEY ORDERS.

(a) IN GENERAL.—(1) Section 6675 (relating to bad checks) is amended—

(A) by striking “$750” and inserting “$1,250”, and

(B) by striking “$15” and inserting “$25”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to checks or money orders received after the date of the enactment of this Act.

SEC. 1728. ELIMINATION OF DOUBLE DEDUCTION ON MINING EXPLORATION AND DEVELOPMENT COSTS UNDER THE MINIMUM TAX.

(a) IN GENERAL.—Section 57(a)(1) (relating to deduction for expenses charged after the taxable year) and inserting “for the taxable year and determined without regard to so much of the basis as is attributable to mining exploration and development costs described in section 616 or 617 for which a deduction is allowable for any taxable year under this part.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

PART II—IMPROVEMENTS IN EFFICIENCY AND SAGUARDS IN INTERNAL REVENUE SERVICE COLLECTION

SEC. 1731. WAIVER OF USER FEE FOR INSTALLMENT AGREEMENTS USING AUTOMATED WITHDRAWALS.

(a) IN GENERAL.—Section 6159 (relating to agreements for payment of tax liability in installments) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (f) the following:

“(d) Waiver of User Fees for Installment Agreements Using Automated Withdrawals.—In the case of a taxpayer who enters into an installment agreement in which automated installment payments are agreed to by the Treasury, for any period for entering into the installment agreement.”.
The amendments made by this section shall apply to offers entered into on or after the date which is 180 days after the date of the enactment of this Act.

SEC. 1732. TERMINATION OF INSTALLMENT AGREEMENTS.

(a) In General.—Section 6159(b)(4) (relating to failure to pay an installment or any other tax liability when due or to provide requested financial information) is amended by striking “or” at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (D) the following:

“(E) to file a return of tax imposed under this title with respect to such tax may not be imposed on any offer-in-compromise accompanied by a payment required under subsection (c) which would otherwise be imposed under this section;”.

(b) CONFORMING AMENDMENT.—The heading for section 6159(b)(4) is amended by striking “FAILURE TO PAY AN INSTALLMENT OR ANY OTHER TAX LIABILITY WHEN DUE OR TO PROVIDE REQUESTED FINANCIAL INFORMATION” and inserting “FAILURE TO PAY AN INSTALLMENT OR ANY OTHER TAX LIABILITY WHEN DUE OR TO PROVIDE REQUESTED FINANCIAL INFORMATION”.;

(c) Effective Date.—The amendments made by this section shall apply to failures occurring on or after the date of the enactment of this Act.

SEC. 1733. OFFICE OF CHIEF COUNSEL REVIEW OF OFFERS-IN-COMPROMISE.

(a) In General.—Section 7122(b) (relating to report) is amended by striking “Whenever a compromise” and all that follows through “this delegate” and inserting “If the Secretary determines that an operation of the General Counsel for the Department of the Treasury, or the Counsel’s delegate, is required with respect to a compromise, there shall be placed on file in the office of the Secretary such opinion”.

(b) CONFORMING AMENDMENTS.—Section 7122(b) is amended by striking the second and third sentences.

(c) Effective Date.—The amendments made by this section shall apply to offers-in-compromise submitted on or after the date of the enactment of this Act.

SEC. 1734. PARTIAL PAYMENTS REQUIRED WITH SUBMISSION OF OFFERS-IN-COMPROMISE.

(a) In General.—Section 7122 (relating to compromises), as amended by this Act, is amended by inserting the following after subsection (d):

“Partial payment required with submission of offers-in-compromise.—

“(1) Partial payment required with submission. —

“(A) LUMP-SUM OFFERS.—

“(i) In general.—The submission of any lump-sum offer-in-compromise shall be accompanied by the payment of 20 percent of the amount of such offer-in-compromise.

“(ii) LUMP-SUM OFFER-IN-COMPROMISE.—For purposes of this section, the term ‘lump-sum offer-in-compromise’ means any offer of payment submitted on or after the date of the enactment of this Act which requires payment in a lump sum and which is not subject to any condition that payment in full will be required as a result of any action taken by the Secretary to enforce the liability.

“(B) PERIODIC PAYMENTS.—The submission of any periodic payment offer-in-compromise shall be accompanied by the payment of that portion of the offer-in-compromise installment due during the period such offer is being evaluated for acceptance and has not been rejected, subject to the applicable time delay described in section 6159(b)(6). Any failure to make a payment required under the preceding sentence shall be deemed a withdrawal of the offer-in-compromise.

“(C) USE OF PAYMENT.—The application of any payment made under this subsection to the assessed tax or other amounts imposed under this title with respect to such tax may be specified by the taxpayer.

“(D) No user fee imposed.—Any user fee which is imposed under section 6159(b) on any offer-in-compromise submitted under this section shall not be imposed on any offer-in-compromise accompanied by a payment required under this subsection.”.

(b) CONFORMING AMENDMENT.—The heading for section 7122 (relating to compromises), as amended by this Act, is amended by striking “and” at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (D) the following:

“(E) to annually report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives (beginning in 2006) regarding such review and recommendations.”.

(c) Effective Date.—The amendments made by paragraph (1) shall apply to reports in calendar year 2006 and thereafter.

SA 933. Mr. GRASSLEY (for himself and Mr. BAUCUS) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy, which was ordered to lie on the Table; as follows:

On page 1, strike lines 4 and 5 and insert the following:

SEC. 1500. SHORT TITLE; AMENDMENT OF 1986 Code.

Beginning on page 2, strike line 5 and all that follows through page 3, line 2, and insert the following:

Subtitle A—Electricity Infrastructure

On page 7, lines 6 and 7, strike “low-head hydroelectric facility or” and insert “low-head hydroelectric facility or nonhydroelectric dam and”.

On page 8, strike lines 10 and 11, strike “LOW-HREAD HYDROELECTRIC FACILITY OR NONHYDROELECTRIC DAM” and insert “NONHYDROELECTRIC DAM”.

On page 8, strike lines 18 through 20 and insert the following:

“(ii) the facility was placed in service before the date of the enactment of this paragraph and did not produce hydroelectric power on the date of the enactment of this paragraph, and”.

Before paragraph (1) on page 8, line 24, strike “the installation” and all that follows through page 9, line 1 and insert “there is not any enlargement of the diversion structure, or construction or enlargement of a bypass channel”.

On page 9, strike line 5 through 9.

On page 26, strike lines 14 and 15 and insert the following:

“(2) Section 1397E(c)(2) is amended by inserting “, and subpart H thereof” after “refundable credits”.

On page 68, strike lines 8 and 9, strike “the date of the enactment of this Act” and insert “December 31, 2004”.

On page 73, line 1, strike “PATRONS” and insert “OWNERS”.

On page 90, strike lines 4 through 7.

On page 90, line 21, strike “and, in the case” and all that follows through line 23.

On page 107, line 17, insert “a home inspector certified by the Secretary of Energy as trained to perform an energy inspection for purposes of this section,” after “(IPLA)”.

On page 110, line 22, strike “and” and insert “(3)”.

On page 143, strike lines 1 through 6, and insert the following:

“MAXIMUM CREDIT.—The credit allowed under subsection (a) for any taxable year shall not exceed—
“(A) $2,000 with respect to any qualified solar water heating expenditures,

“(B) $2,000 with respect to any qualified photovoltaic property expenditures, and

“(C) such amount as to each subsequent year of capacity of qualified fuel cell property (as defined in section 48(d)(1)) for which qualified fuel cell property expenditures are made.

On page 149, between lines 6 and 7, insert the following:

(1) Section 23(c) is amended by striking “this section and section 1400C” and inserting “this section, section 25D, and section 1400C”.

(2) Section 25(c)(1)(C) is amended by striking “this section and sections 23 and 1400C” and inserting “other than this section, section 23, section 25D, and section 1400C”.

(3) Section 1400C(d) is amended by striking “this section” and inserting “this section and section 25D”.

On page 149, line 7, strike “(i)” and insert “(iv)”.

On page 149, line 15, strike “(ii)” and insert “(v)”. On page 149, lined 19 and 20, strike “Except as provided by paragraph (2), the” and insert “The”.

On page 155, lines 2 and 3, strike “for use in a structure”. On page 155, line 12, insert “periods” before “before”.

On page 210, between lines 19 and 20, insert the following:

(b) Written Notice of Election to Allo- cate Credit to Patrons.—Section 407(d)(6)(i)(I) (relating to form and effect of election) is amended by adding at the end the following new sentence: “Such election shall not take effect unless the organization designates the apportionment as such in a written notice mailed to its patrons during the payment period described in section 1382(d).”

On page 210, line 20, strike “(b)” and insert “(c)”. Beginning on page 228, line 19, strike all through page 229, line 2, and insert the following:

“(B) within 2 years after the date of such first retail sale, such article is resold by the purchaser or such purchaser makes a substantial nonexempt use of such article, then such sale or use of such article by such purchaser shall be treated as the first retail sale of such article for a price equal to its fair market value at the time of such sale or use.

On page 232, line 21, strike “and”. On page 232, between lines 21 and 22, insert the following:

(i) by adding at the end the following new sentence: “For purposes of this subsection, any removal described in section 4081(a)(3)(A) shall be treated as a removal from a terminal but only if such terminal is located within a secured area of an airport.”.

SA 934. Mr. GREGG submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 228, strike line 16 and all that follows through page 229, line 2, and insert the following:

SEC. 105. ENERGY SAVINGS PERFORMANCE CO- TRACTS.

(a) EXTENSION.—Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is amended by striking “2006” and inserting “2010”.

(b) PAYMENT OF COSTS.—The National Energy Conservation Policy Act is amended by striking section 802 (42 U.S.C. 8287a) and inserting the following:

“SEC. 802. PAYMENT OF COSTS.

“(a) IN GENERAL.—Notwithstanding any other provision of law, on October 1, 2006, and on each October 1 thereafter through Oc- tober 29, 2010, the Secretary shall transfer to the Treasury $500,000,000, to remain available until expended.

“(b) USE OF FUNDS.—

“(1) IN GENERAL.—The Secretary shall make available amounts described in sub- section (a) to Federal agencies entering into contracts under this title to pay for the costs of the contracts.

“(2) LIMITATION.—A Federal agency may not enter into a contract under this title in a case in which all amounts made available under subsection (a) have already been fully obligated.

“(c) AMENDMENTS.—

“(1) NO THIRD-PARTY FINANCING.—A contract under this title shall—

“(A) include no option for third-party finan- cing; and

“(B) use only amounts made available under subsection (a) to cover all costs of the contract.

“(d) FEDERAL AGENCIES.—Any amount paid by a Federal agency under any contract entered into under this title may be paid only from funds made available under subsection (a).”.

SA 935. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 437, after line 22, add the follow- ing:

SEC. 3. IMPACTS OF USE OF SPECIAL FUEL FORMULATIONS.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency, in co- operation with the Secretary, shall, and in consultation with other Federal agencies, and States, shall carry out a study—

(1) to develop a plan to balance the envi- ronmental benefits of using special gasoline blends or formulations with the impacts that the use of those blends or formulations has on the supply, demand, and pricing of gaso- line and other fuels; and

(2) to identify any statutory or other changes that would be required to achieve that balance.

(b) REPORT.—As soon as practicable after the date of completion of the study under subsection (a), the Administrator of the Envi- ronmental Protection Agency shall submit to Congress a report describing the results of the study.

SA 936. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 437, after line 22, add the follow- ing:

SEC. 3. IMPACTS OF USE OF SPECIAL FUEL FORMULATIONS.

In determining whether to approve an application for the use of a new gasoline blend or other fuel formulation under the Clean Air Act (42 U.S.C. 7401 et seq.), the Administrator of the Environmental Protec- tion Agency shall take into consideration the potential that the use of the blend or formulation would have on the supply, demand, and price of gasoline and other fuels.

SA 937. Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the fol- lowing:

SEC. 3. IMPACTS OF USE OF SPECIAL FUEL FORMULATIONS.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency, in co- operation with the Secretary, shall, and in consultation with other Federal agencies, shall carry out a study—

(1) to develop a plan to balance the envi- ronmental benefits of using special gasoline blends or formulations with the impacts that the use of those blends or formulations has on the supply, demand, and pricing of gaso- line and other fuels; and

(2) to identify any statutory or other changes that would be required to achieve that balance.

(b) REPORT.—As soon as practicable after the date of completion of the study under subsection (a), the Administrator of the Envi- ronmental Protection Agency shall submit to Congress a report describing the results of the study.

SA 938. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 272, between lines 7 and 8, insert the following:

SEC. 328. KNOWN POTASH LEASING AREA, NEW MEXICO.

(a) APPROVAL OF APPLICATION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, subject to paragraph (2), the Secretary shall approve an applica- tion for a drilling permit in the Known Potash LeasingArea near Carlsbad, New Mexico, as soon as practicable after the date on which theapplication is submitted, provided that the general re- quirements for the application under the Mineral Leasing Act (30 U.S.C. 181 et seq.).
On page 407, between lines 11 and 12, insert the following:

SEC. 625. SPENT NUCLEAR FUEL MORATORIUM.

(a) DEFINITIONS.—In this section:

(1) NON-FEDERALLY-OWNED, OFFSITE FACILITY.—The term ‘‘non-federally-owned, offsite facility’’ means a facility for the storage of nuclear waste that is not on the premises of a private nuclear power plant.

(b) MORATORIUM.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act or any other law, a State that permits offshore drilling off the coast of the State shall be liable for damage caused by that drilling, including damage to coastal and marine natural resources, sources of drinking water, and marine mammals, that does not permit offshore drilling in Federal water off the coast of the State.

SEC. 942. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. LIABILITY FOR DAMAGE TO COASTAL NATURAL RESOURCES AND ECO- SYSTEMS.

Notwithstanding any other provision of this Act or any other law, a State that permits offshore drilling off the coast of the State shall be liable for damage caused by that drilling, including damage to coastal and marine natural resources, sources of drinking water, and marine mammals, that does not permit offshore drilling in Federal water off the coast of the State.

SEC. 943. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 264, line 6, after the period, insert the following:

‘‘other than Federal waters that are adjacent to the waters of a State that has a moratorium on oil or gas leasing’’.

SEC. 944. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 264, line 6, before the period, insert the following:

‘‘other than waters that are within 20 miles of any area located on the outer Continental Shelf that is designated as a marine sanctuary under the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1401 et seq.)’’.

SEC. 945. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PROHIBITION ON OFFSHORE DRILLING.

Notwithstanding any other provision of this Act or any other law, no offshore drilling shall be permitted in Federal water that is adjacent to State water of any State that has in effect a moratorium on offshore drilling.

SEC. 946. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 407, between lines 11 and 12, insert the following:
Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives a report describing the findings of the Secretary under each study described in subsection (c).

SA 947. Mr. HATCH submitted an amendment that shall be proposed by him to the bill H.R. 6, to encourage research for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Begning on page 290, strike line 6 and all that follows through page 296, line 25, and insert the following:

SEC. 346. OIL SHALE AND TAR SANDS.
(a) DECLARATION OF POLICY.—Congress declares that it is the policy of the United States that—

(1) United States oil shale and tar sands are strategically important domestic resources for the United States; the development of oil shale on public land.

(c) PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Energy shall develop a strategy to use fuel produced from domestic oil shale and tar sands.

(d) LEASING PROGRAM.—The Secretary of Energy, in cooperation with the Secretary of the Interior, shall establish an Oil Shale and Tar Sands Task Force to develop a program to promote oil shale development of public land.

(2) DEVELOPMENT OF A 5-YEAR PLAN.—
(A) The Secretary shall formulate a 5-year plan to promote the development of oil shale and tar sands.
(B) Components.—In formulating the plan, the Task Force shall—
(i) identify public actions that are required to stimulate prudent development of oil shale and tar sands;
(ii) analyze the costs and benefits of those actions;
(iii) make recommendations concerning specific actions that should be taken to stimulate prudent development of oil shale and tar sands, including economic, investment, tax, technology, research and development, infrastructure, environment, educational, and socio-economic actions; and
(iv) make recommendations concerning infrastructure (such as roads, utilities, and pipelines) required to support oil shale development.
(C) the Secretary shall—
(i) analyze the costs and benefits of those actions;
(ii) review and make recommendations with respect to initial assessments of oil shale and tar sands technologies that—
(I) are ready for pilot plant and semiscale development; and
(II) have a high probability of leading to advanced technology for first- or second-generation commercial production; and
(vii) consult with representatives of industry and other stakeholders;
(viii) provide notice and opportunity for public comment on the plan;
(viii) consult with representatives of industry and other stakeholders;

(3) DEVELOPMENT OF A 5-YEAR PLAN.—
(A) The Secretary shall formulate a 5-year plan to promote the development of oil shale and tar sands.
(B) COMPONENTS.—In formulating the plan, the Task Force shall—
(i) identify public actions that are required to stimulate prudent development of oil shale and tar sands;
(ii) analyze the costs and benefits of those actions;
(iii) make recommendations concerning specific actions that should be taken to stimulate prudent development of oil shale and tar sands, including economic, investment, tax, technology, research and development, infrastructure, environment, educational, and socio-economic actions; and
(iv) make recommendations concerning infrastructure (such as roads, utilities, and pipelines) required to support oil shale development.

(b) LEASING PROGRAM FOR RESEARCH AND DEVELOPMENT.—
(1) IN GENERAL.—In accordance with section 21 of the Mineral Leasing Act (30 U.S.C. 214) and any other applicable law, except that—
(A) the Secretary may make exceptions for research programs or for purposes of sharing information relating to the development of oil shale and tar sands technologies that—
(I) are ready for pilot plant and semiscale development; and
(II) have a high probability of leading to advanced technology for first- or second-generation commercial production; and
(vii) identify oil shale and tar sands technologies that—
(i) are ready for pilot plant and semiscale development; and
(ii) have a high probability of leading to advanced technology for first- or second-generation commercial production; and
(viii) assess the availability of water from the Green River Formation to meet the potential needs of oil shale and tar sands development.
(B) the Secretary shall—
(i) analyze the costs and benefits of those actions;
(ii) review and make recommendations with respect to initial assessments of oil shale and tar sands technologies that—
(I) are ready for pilot plant and semiscale development; and
(II) have a high probability of leading to advanced technology for first- or second-generation commercial production; and
(vii) identify oil shale and tar sands technologies that—
(i) are ready for pilot plant and semiscale development; and
(ii) have a high probability of leading to advanced technology for first- or second-generation commercial production; and
(viii) assess the availability of water from the Green River Formation to meet the potential needs of oil shale and tar sands development.

(c) REPORTS.—
(A) INITIAL REPORT.—Not later than 180 days after the date of enactment of this Act, the Task Force shall submit to the President and Congress a report that describes the analysis and findings of the Secretary's assessment of the Oil Shale and Tar Sands Task Force and the 5-year plan.
(B) SUBSEQUENT REPORTS.—The Secretary of Energy shall provide an annual report describing the status of the plan for each of the 5 years following submission of the report provided for in subparagraph (A).

(d) OIL SHALE AND TAR SANDS TASK FORCE.—
(1) ESTABLISHMENT.—The Secretary of Energy, in cooperation with the Secretary of the Interior, shall establish an Oil Shale and Tar Sands Task Force to develop a program to promote oil shale and tar sands on public land.
(2) COMPONENTS.—The Task Force shall be composed of—
(A) the Secretary of Energy (or the designee of the Secretary of Energy);
(B) the Secretary of the Interior (or the designee of the Secretary of the Interior);
(C) the Secretary of Defense (or the designee of the Secretary of Defense); and
(D) representatives of local governments in affected areas.
(3) DEVELOPMENT OF A 5-YEAR PLAN.—
(A) The Secretary shall formulate a 5-year plan to promote the development of oil shale and tar sands.
(B) COMPONENTS.—In formulating the plan, the Task Force shall—
(i) identify public actions that are required to stimulate prudent development of oil shale and tar sands;
(ii) analyze the costs and benefits of those actions;
(iii) make recommendations concerning specific actions that should be taken to stimulate prudent development of oil shale and tar sands, including economic, investment, tax, technology, research and development, infrastructure, environment, educational, and socio-economic actions; and
(iv) make recommendations concerning infrastructure (such as roads, utilities, and pipelines) required to support oil shale development.

(e) ADMINISTRATION.—The Secretary of Energy may provide technical assistance under this section on a cost-shared basis in accordance with section 1002.

(f) TECHNICAL ASSISTANCE.—
(1) IN GENERAL.—The Secretary of Energy may provide technical assistance for the purposes of evaluating and mapping oil shale deposits, in the geographic areas described in subparagraph (B).

(g) GEOGRAPHIC AREAS.—The geographic areas referred to in subparagraph (A), listed in the order in which the Secretary shall assign priority, are—
(i) the Green River Region of the States of Colorado, Utah, and Wyoming;
(ii) the Devonian oil shales of the eastern United States; and
(iii) any remaining area in the central and western United States (excluding the State of Alaska) that contains oil shale, as determined by the Secretary.

(h) USE OF STATE SURVEYS AND UNIVERSITIES.—In carrying out a program under paragraph (1), the Secretary may request assistance from any State-administered geological survey or university.

(i) PROCUREMENT OF UNCONVENTIONAL FUEL BY THE DEPARTMENT OF DEFENSE.—
(1) IN GENERAL.—Chapter 141 of title 10, United States Code, is amended by inserting after section 2396 the following:

"§ 2398a. Procurement of fuel derived from coal, oil shale, and tar sands

(a) USE OF FUEL TO MEET DEPARTMENT OF DEFENSE NEEDS.—The Secretary of Defense shall develop a strategy to use fuel produced from coal, oil shale, and tar sands (referred to in this section as a 'covered fuel') that are extracted by either mining or in-situ methods and refined in the United States in order to assist in meeting the fuel requirements of the Department of Defense.

(b) AUTHORITY TO PROCUREMENT.—The Secretary of Defense may enter into 1 or more contracts or other agreements (that meet the requirements of this section) to procure a fuel derived from coal, oil shale, and tar sands (referred to in this section as a 'covered fuel') that are extracted by either mining or in-situ methods and refined in the United States in order to assist in meeting the fuel requirements of the Department of Defense.

(c) CLEAN FUEL REQUIREMENTS.—A covered fuel may be produced (b) only if the covered fuel meets such standards for clean fuel produced from domestic
sources as the Secretary of Defense shall establish for purposes of this section in consultation with the Office of Strategic Fuel Analysis of the Department of Energy.

"(d) Military Contractor Authority.—Subject to applicable provisions of appropriations Acts, any contract or other agreement for the procurement of covered fuel under subsection (b) may be for 1 or more years at the election of the Secretary of Defense.

"(e) PRICE LIMITATIONS.—(1) Each contract or other agreement for the procurement of covered fuel under subsection (b) shall set forth the maximum price and minimum price to be paid for a unit of covered fuel under such contract or agreement, which prices shall be established by the Secretary of Defense at the time of entry into the contract or agreement.

"(2) In establishing under paragraph (1) the maximum price and minimum price to be paid for covered fuel under a contract or other agreement under subsection (b), the Secretary shall take into account applicable information on world oil markets from the Department of Energy, including—

"(A) trends in crude oil;

"(B) costs of production of the covered fuel from both conventional and unconventional sources; and

"(C) national or regional investment in production of the covered fuel.

"(f) FUEL SOURCE ANALYSIS.—In order to facilitate the procurement by the Department of Defense of covered fuel under subsection (b), the Secretary shall carry out a comprehensive assessment of current and potential locations in the United States for the supply of covered fuel to the Department.

"(2) CLERICAL AMENDMENT.—The table of sections for chapter 1H of title 10, United States Code, is amended by inserting after the item relating to section 2398 the following:

"2398a. Procurement of fuel derived from coal, oil shale, and tar sands."

"(k) STATE WATER RIGHTS.—Nothing in this section preempts or affects any State water law or interstate compact relating to water.

"(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SA 948. Mr. LIEBERMAN (for himself, Mr. BAYH, and Mr. SALAZAR) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Beginning on page 120, strike line 21 and all that follows through page 122, line 14, and insert the following:

Subtitle D—Oil Security

SEC. 151. SHORT TITLE; FINDINGS AND PURPOSES.

(a) Short Title.—This subtitle may be cited as the “Oil Security Act”.

(b) Findings.—Congress finds that—

"(1) the United States is dangerously dependent on oil;

"(2) dependence threatens the national security, weakens the economy, and harms the environment of the United States;

"(3) the United States currently imports nearly 60 percent of oil needed in the United States, and that ratio is expected to grow to almost 70 percent by 2025 if no actions are taken;

"(4) approximately 2,500,000 barrels of oil per day are imported from countries in the Persian Gulf region;

"(5) that dependence on foreign oil undermines the war on terror by financing both sides of the war;

"(6) in 2004 alone, the United States spent $105 billion to underwrite oil-rich dictatorships, some of which use revenues to support terrorism and spread ideology hostile to the United States, as documented by the Council on Foreign Relations;

"(7) terrorists have identified oil as a strategic vulnerability and have ramped up attacks against oil infrastructure worldwide;

"(8) oil imports comprise more than 25 percent of the dangerously high United States trade deficit;

"(9) it is feasible to achieve oil savings of more than 4.5 billion barrels by 2015 and 10,000,000 barrels per day by 2025;

"(10) those goals can be achieved by establishing a set of flexible policies, including—

"(A) increasing the gasoline-efficiency of cars, trucks, tires, and oil;

"(B) providing economic incentives for companies and consumers to purchase fuel-efficient cars;

"(C) encouraging the use of transit and the reduction of truck idling; and

"(D) increasing production and commercialization of alternative fuels;

"(11) technology available as of the date of enactment of this Act (including popular hybrid-electric vehicle models), the sales of which in the United States increased 136 percent in the first 4 months of 2005 as compared with the same period in 2004) make an oil savings plan eminently achievable; and

"(12) it is urgent, essential, and feasible to implement an action plan to achieve oil savings as soon as practicable because any delay in initiating action will—

"(A) make any necessary oil savings more difficult and expensive; and

"(B) increase the risks to the national security, economy, and environment of the United States.

(c) Purposes.—The purposes of this subtitle are—

"(1) to help instill consumer confidence and acceptable of alternative motor vehicles by lowering the 3 major barriers to confidence and acceptance;

"(2) to enable the accelerated introduction into the marketplace of new motor vehicle technologies without adverse emission impact, while retaining a policy of fuel neutrality in order to foster private innovation and commercialization and allow market forces to decide the technologies and fuels that are consumer-friendly, safe, environmentally-sound, and economic;

"(3) to provide, for a limited time period, financial incentives to encourage consumers nationwide to purchase or lease new fuel cell, hybrid, battery electric, and alternative fuel motor vehicles;

"(4) to increase demand of vehicles described in paragraph (3) so as to make the annual production by manufacturers and retailers of 10,000 new fuel cell and hybrid electric vehicles economically and commercially viable for the consumer;

"(5) to promote and expand the use of vehicles described in paragraph (3) throughout the United States; and

"(6) to promote a nationwide diversity of motor vehicle fuels for advanced and hybrid technology and alternatively fueled motor vehicles.

SEC. 152. MANUFACTURING INCENTIVES FOR ALTERNATIVE FUEL VEHICLES.

(a) Advanced Technology Motor Vehicle Program.—

"(1) Definitions.—In this subsection:

"(A) Advanced Lean Burn Technology Motor Vehicle.—The term ‘‘advanced lean burn technology motor vehicle’’ means—

"(i) a motor vehicle with an internal combustion engine that—

"(1) is designed to operate primarily using more air than is necessary for complete combustion of the fuel;

"(ii) incorporates direct injection of at least 10 percent, based on the gross receipts of which are derived from the manufacture of motor vehicles or any component parts of motor vehicles.

"(B) Engineering Integration Costs.—The term ‘‘engineering integration costs’’ means costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks relating to—

"(1) incorporating eligible components into the design of advanced technology vehicles; and

"(2) designing new tooling and equipment for production facilities which produce eligible components or advanced technology vehicles.

"(C) Purchase Incentive Program.—The term ‘‘purchase incentive program’’ means—

"(i) any program established under section 152(b)(2); and

"(ii) any other program submitted for approval by the Secretary;

"(D) Qualified Investment.—The term ‘‘qualified investment’’ means any investment in—

"(1) a qualified alternative fuel vehicle;

"(2) a qualified alternative fuel motor vehicle;

"(3) a qualified alternative fuel vehicle component;

"(4) a qualified alternative fuel vehicle component part;

"(5) the incremental costs incurred to reequip or expand a manufacturing facility of

"(6) any other investment submitted for approval by the Secretary;

"(7) Eligible Investment.—Any investment in—

"(i) a qualified alternative fuel vehicle;

"(ii) a qualified alternative fuel motor vehicle;

"(iii) a qualified alternative fuel vehicle component;

"(iv) a qualified alternative fuel vehicle component part;

"(v) the incremental costs incurred to reequip or expand a manufacturing facility of

"(C) Base Year.—The term ‘‘base year’’ means model year 2002.

"(D) Eligible Component.—The term ‘‘eligible component’’ means any component specially designed for any advanced technology vehicle and installed for the purpose of meeting the performance requirements for an advanced technology motor vehicle, including—

"(1) with respect to any gasoline-electric new qualified hybrid motor vehicle—

"(A) an electric motor or generator;

"(B) a power split device;

"(C) a power control unit;

"(2) power controls;

"(3) an integrated starter generator;

"(4) a battery;

"(5) with respect to any advanced lean burn technology motor vehicle—

"(A) a diesel engine;

"(B) a turbocharger;

"(C) a fuel injection system; or

"(D) an after-treatment system, such as a particle filter or NOx absorber; and

"(6) any other component submitted for approval by the Secretary;

"(E) Eligible Entity.—The term ‘‘eligible entity’’ means a manufacturer, 25 percent or more of the gross receipts of which are derived from the manufacture of motor vehicles or any component parts of motor vehicles.

"(F) Engineering Integration Costs.—The term ‘‘engineering integration costs’’ means costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks relating to—

"(1) incorporating eligible components into the design of advanced technology vehicles; and

"(2) designing new tooling and equipment for production facilities which produce eligible components or advanced technology vehicles.

"(G) Purchase Incentive Program.—The term ‘‘purchase incentive program’’ means—

"(1) any program established under section 152(b)(2); and

"(2) any other program submitted for approval by the Secretary;

"(3) any program established under this section;

"(4) the incremental costs incurred to reequip or expand a manufacturing facility of

"(5) any other program submitted for approval by the Secretary.

"(H) Qualified Investment.—The term ‘‘qualified investment’’ means any investment in—

"(1) a qualified alternative fuel vehicle;

"(2) a qualified alternative fuel motor vehicle;

"(3) a qualified alternative fuel vehicle component;

"(4) the incremental costs incurred to reequip or expand a manufacturing facility of

"(5) any other program submitted for approval by the Secretary;
the eligible taxpayer to produce advanced technology motor vehicles or to produce eligible components; and

(II) any engineering integration costs associated with equipment on eligible motor vehicles or eligible components.

(2) ESTABLISHMENT. —The Secretary shall establish a program to provide grants, loans, and loan guarantees to eligible entities for qualified investment.

(3) REQUIREMENTS. —For an automobile manufacturer to be eligible for a grant, loan, or loan guarantee under the program, the adjusted average fuel economy of the manufacturer for light duty vehicles for the most recent year for which data is available may not be less than the base year average fuel economy of the manufacturer for all of the light duty motor vehicles of the manufacturer.

(4) LIMITATION. —The total amounts of grants, loans, and loan guarantees that may be provided to any 1 qualified investment under the program shall be not more than $200,000,000.

(5) REGULATIONS. —The Secretary shall issue regulations establishing procedures for providing grants, loans, and loan guarantees under the program.

(6) AUTHORIZATION OF APPROPRIATIONS. —There are authorized to be appropriated such sums as are necessary to carry out this sub-section.

(b) FUEL ECONOMY CALCULATIONS. —

(1) IN GENERAL. —Section 32905 of title 49, United States Code, is amended—

(A) in subsections (b) and (d),

(b) by amending paragraph (1) of each subsection to read as follows:

‘‘(1) the number determined by—

(A) subtracting from 1.0 the alternative fuel use factor for the model by the fuel economy measured under section 32904(c) when operating the model on gasoline or diesel fuel; and

(B) dividing the difference calculated under subparagraph (A) by the fuel economy measured under section 32904(c) when operating the model on gasoline; gasoline or diesel fuel; and

(ii) by amending paragraph (2) of each subsection to read as follows:

‘‘(2) the number determined by dividing the alternative fuel use factor for the model by the fuel economy measured under subsection (a) when operating the model on alternative fuel; and

(B) by adding at the end the following:

‘‘(b) determination of alternative fuel use factor. —

‘‘(1) For purposes of subsections (b) and (d), the term ‘alternative fuel use factor’ means, for a model of automobile, the factor determined by the Administrator under paragraph (3).

(2) At the beginning of each calendar year, the Secretary of Transportation shall estimate, for each model of automobile, the factor determined by the Administrator under paragraph (3).

(3) (A) The Administrator shall determine, by regulation, the alternative fuel use factor for each model of dual fuel automobile, on an energy equivalent basis, by calculating the ratio that the alternative fuel used by such model bears to the amount of fuel used by such model; and

(B) the aggregate amount of alternative fuel used to operate all dual fuel automobiles during the most recent 12-month period.

(5) The Administrator shall determine, by regulation, the alternative fuel use factor for each model of dual fuel automobile, on an energy equivalent basis, by calculating the ratio that the alternative fuel used by such model bears to the amount of fuel used by such model.

(6) (A) ESTABLISHMENT OF PROGRAM. —The Secretary, in consultation with the Committee, shall establish a program to provide incentives to commercial scale cellulose biomass-to-fuels producers.

(7) (A) ESTABLISHMENT OF PROGRAM. —The Secretary, in consultation with the Committee, shall establish a program to provide incentives to commercial scale cellulose biomass-to-fuels producers.

(a) GENERAL REQUIREMENTS. —

(1) DEFINITIONS. —In this section:

(A) CELLULOSE BIOMASS-TO-FUEL. —The term ‘cellulose biomass-to-fuel’ means any fuel that is produced from at least 80 percent cellulose biomass.

(B) COMMERCIAL-SCALE PLANT. —The term ‘commercial-scale plant’ means a plant that—

(i) has a production capacity of greater than 7,000,000 gallons per year of cellulose biomass-to-fuel and related products, as measured by energy content; and

(ii) uses technology that has been successfully tested or demonstrated project that produced at least 1,000,000 gallons per year of cellulose biomass-to-fuel and related products, as measured by energy content.

(C) COMMITTEE. —The term ‘Committee’ means the Cellulosic Biomass-to-Fuel Review Committee established under paragraph (4).

(D) PRE-COMMERCIAL SCALE PLANT. —The term ‘pre-commercial scale plant’ means—

(i) a plant that has a production capacity of less than 7,000,000 gallons per year of cellulose biomass-to-fuel and related products, as measured by energy content; or

(ii) an existing industrial facility that—

(i) has the maximum potential output, 24 hours a day, 365 days per year; and

(ii) in terms of gallons of ethanol equivalent, with other fuels converted to this unit of measurement, based on the energy content of the fuels.

(2) PURPOSE. —The purpose of this section is to—

(A) accelerate deployment and commercialization of cellulose biomass to fuel;

(B) reduce the oil dependence of the United States; and

(C) enhance the ability of the United States to produce alternative fuels.

(3) ESTABLISHMENT. —The Secretary, in consultation with the Committee, shall establish a program to provide incentives to commercial scale cellulose biomass-to-fuels producers.

(4) CELLULOSE BIOMASS-TO-FUEL REVIEW COMMITTEE. —The Secretary shall request that the National Academy of Sciences establish an independent Cellulosic Biomass-to-Fuel Review Committee, of which at least 1/2 of the members shall be experts external to the Department of Agriculture and the Department of Energy.

(5) SOLICITATION PROCESS. —

(A) IN GENERAL. —The Secretary, in consultation with the Committee, shall establish an open and competitive solicitation process to select projects for participation in the cellulose biomass-to-fuel early deployment and commercialization initiative.

(B) ELIGIBILITY DETERMINATIONS. —Eligibility determinations shall be established based on expert peer review of the proposals by the Committee.

(C) CONSISTENCY. —The solicitation shall be consistent from year to year.
(D) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this subpart.

(E) TERMINATION OF AUTHORITY.—The authority of the Secretary and the Secretary of the Treasury to commit to new incentives under paragraphs (2), (3), and (4) shall terminate on the date that is 10 years after the date of enactment of this Act.

(2) CELLULOSIC BIOSOLIDS FUEL LOAN GUARANTEES.—(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities to process and convert cellulose biomass into fuel and other commercial byproducts.

(B) LIMITATION.—The total amount of all loans guaranteed under this paragraph shall not exceed $2,000,000,000 at any time during the program.

(C) REQUIREMENTS.—The Secretary may provide a loan guarantee under this paragraph to an applicant if—

(i) the prospective earning power of the applicant and the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan; and

(ii) the loan bears interest at a rate determined by the Secretary to be reasonable, taking into account—

(I) the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the loan; and

(II) the risk profile of the loan.

(D) TERMS AND CONDITIONS.—The loan agreement for a loan guarantee under this paragraph shall provide that—

(i) no provision of the loan agreement may be amended or waived without the consent of the Secretary; and

(ii) the loan guarantee shall have a maturity of not more than 20 years; and

(iii) the recipient of a loan guarantee under this paragraph shall pay the Secretary an amount determined by the Secretary to be sufficient to cover the administrative costs of the Secretary relating to the loan guarantee.

(E) ELIGIBILITY AND LIMITATIONS.—(I) IN GENERAL.—In addition to the overall limitation established under paragraph (1)(C)(ii), the maximum loan guarantee that any project that is begun not later than 4 years after the date of establishment of the program under this paragraph may receive shall be the lesser of—

(1) $5,600,000 per million gallons of capacity;

(2) 80 percent of the total project debt; or

(3) $100,000,000 per facility.

(ii) SCHEDULE.—The Secretary shall establish a schedule of limitations that decrease throughout the period that begins on the date that is 4 years after the date of establishment of the program under this paragraph and ends on the date that is 10 years after the date of establishment of the program.

(F) FULL FAITH AND CREDIT.—

(i) IN GENERAL.—The full faith and credit of the United States is pledged to the payment of all guarantees issued under this paragraph with respect to principal and interest.

(ii) CONCLUSIVE EVIDENCE.—Any guarantee made by the Secretary under this paragraph shall be conclusive evidence of the eligibility of the loan for the guarantee with respect to principal and interest.

(iii) INCROSTABLE VALIDITY.—The validity of the guarantee shall be incontestable in the hands of the guaranteed loan.

(iv) ALLOWED USES OF FUNDS.—In the event of a performance shortfall, the loan guarantee funds may be used to either pay senior debt or make fixes to increase output or efficiency.

(v) INCENTIVES RECEIVED.—For each reverse auction conducted under this subpart, each eligible facility shall receive a dollar amount of performance incentive on a per gallon basis.

(vi) SELECTION OF FACILITIES.—The Secretary shall select facilities beginning with the facility that requests the lowest amount of performance incentive on a per gallon basis and continuing until the funds available under clause (II) for the reverse auction are committed.

(vi) INCENTIVES RECEIVED.—A facility selected by the Secretary shall receive the amount of performance incentive requested by the facility in the auction for each gallon produced and sold by the facility during the first 6 years of operation.

(C) LIMITATIONS.—(I) IN GENERAL.—In addition to the overall limitation established in paragraph (1)(C)(ii), the value of incentives paid under this subsection for projects that are begun not later than 4 years after the date of establishment of the program under this paragraph shall be limited to the lesser of—

(1) $0.75 per gallon; or

(2) $4,000,000 per million gallons of capacity; or

(3) 40 percent of the total cost of the project.

(ii) SCHEDULE.—The Secretary shall establish a schedule of limitations that decrease throughout the period that begins on the date that is 4 years after the date of establishment of the program under this paragraph and ends on the date that is 10 years after the date of establishment of the program.

(C) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 154. NEAR-TERM VEHICLE TECHNOLOGY PROGRAM.

(a) PURPOSES.—The purposes of this section are—

(1) to enable and promote comprehensive development, demonstration, and commercialization of a wide range of electric drive components, systems, and vehicles;—

(A) in partnership with industry; and

(B) for a wide range of electric drive components, systems, and vehicles in a wide range of applications using diverse electric drive transportation technologies;—

(2) to make critical public investments in building strong links to private industry, institutions of higher education, National Laboratories, and research institutions to expand innovation, industrial growth, and jobs in the United States;—

(3) to take greater advantage of the existing electric infrastructure for transportation and other on-road and non-road mobile sources of emissions—

(A) that are reported to be over 3,000,000 units today, including electric forklifts, golf carts, and similar non-road vehicles; and

(B) because existing and emerging technologies that connect to the grid greatly enhance the energy security of the United States, reduce dependence on imported oil, and reduce emissions;—

(4) to more quickly advance the widespread commercialization of all types of hybrid electric vehicle technology into all sizes and applications of vehicles leading to commercialization of plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and eventually to fuel cell vehicles and use of batteries and electric vehicles to provide services back to the grid; and

(5) to improve the energy efficiency of and reduce the petroleum use of transportation;

(b) DEFINITIONS.—In this section:

(1) BATTERY.—The term "battery" means an energy storage device used in an on-road or non-road vehicle powered in whole or in part using an off-board or on-board source of electricity.
(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term “electric drive transportation technology” means—

(A) on-road or non-road vehicles that use an electric motor as part of their motive power and that may or may not use offboard electricity, including battery electric vehicles, fuel cell vehicles, engine dominant hybrid electric vehicles, plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and electric rail; or

(B) equipment related to transportation or mobile sources of pollution that use an electric motor to replace an internal combustion engine for all or part of the work of the engine, including corded electric equipment linked to transportation or mobile sources of air pollution.

(3) ENGINE DOMINANT HYBRID ELECTRIC VEHICLE.—(A) the term “dominant engine hybrid electric vehicle” means an on-road or non-road vehicle propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel;

(B) an on-board, rechargeable storage device; and

(C) no means of using an off-board source of electricity.

(4) FUEL CELL VEHICLE.—The term “fuel cell vehicle” means an on-road or non-road vehicle that uses a fuel cell as defined in section 30122(c) of title 49, United States Code, to produce electricity.

(5) ON-ROAD OR NON-ROAD VEHICLE.—(A) the term “on-road or non-road vehicle” means—

(A) a light-duty, medium-duty, or heavy-duty motor vehicle; or

(B) a vehicle or propelled piece of equipment that is primarily intended for use on private or public property other than public-owned highways, freeways, streets, and roads.

(6) PLUG-IN HYBRID ELECTRIC VEHICLE.—The term “plug-in hybrid electric vehicle” means an on-road or non-road vehicle that is propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel;

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(7) PLUG-IN HYBRID FUEL CELL VEHICLE.—The term “plug-in hybrid fuel cell vehicle” means a fuel cell vehicle that also can use a battery supplied by an off-board source of electricity.

(c) PROGRAM.—(A) The Secretary shall conduct a program of research, development, demonstration, and commercial application for electric drive transportation technology, including—

(1) high capacity, high efficiency lithium and nickel metal hybrid batteries for plug-in hybrid vehicles and plug-in hybrid fuel cell vehicles;

(2) high efficiency on-board and off-board charging components;

(3) motor drive train systems for passenger and commercial vehicles and for non-road equipment;

(4) control system development and power train development and integration for plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and engine dominant hybrid electric vehicles, including—

(A) development of efficient cooling systems;

(B) analysis and development of control systems that minimize the emissions profile when different driving modes are part of a plug-in hybrid drive system; and

(C) development of different control systems that optimize for different goals, including—

(i) battery life;

(ii) reduction of petroleum consumption;

(iii) green house gas reduction; and

(iv) understanding consumer preference for many different control systems will assist or deter widespread applications of the vehicles;

(v) nanomaterial technology applied to both battery and fuel cell systems;

(vi) large-scale demonstrations, testing, and evaluation of vehicles for use in different applications with different batteries and control systems, including—

(A) military applications;

(B) paratransit applications;

(C) mass market passenger and light-duty truck applications;

(D) private fleet applications; and

(E) medium-duty applications;

(vii) a nationwide education strategy for electric drive transportation technologies providing secondary and high school teaching materials and support for university education and component engineering;

(viii) introduction strategies for plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles, including—

(A) examining how best to link the technology to low carbon or renewable energy; and

(B) an improved understanding of potential markets, driving patterns, charging behavior, and consumer acceptance and benefits; and

(C) working with the Administrator of the Environmental Protection Agency to develop procedures for testing and certification of criteria pollutants, fuel economy, and petroleum use for light-, medium- and heavy-duty vehicle applications, including considering—

(i) the vehicle and fuel as a system, not just an engine; and

(ii) nightly off-board charging; and

(ix) (B) advancement of battery and corded electric transportation technologies in mobile source applications; and

(A) improvement in battery, drive train, and control system technologies; and

(B) working with industry and the Administrator of the Environmental Protection Agency to—

(i) understand and inventory markets; and

(ii) identify and implement methods of removing barriers for existing and emerging applications.

(d) GOALS.—The goals of the electric drive transportation technology program established under subsection (c) shall be to develop, in partnership with industry and institutions of higher education, projects that focus on—

(1) innovative electric drive technology developed in the United States;

(2) growth of job opportunities for electric drive design and manufacturing;

(3) validation of the plug-in hybrid potential through fleet demonstrations; and

(4) enabling the fuel cell revolution by establishing a mature electric drive technology system that is an integral part of the fuel cell vehicle system.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 155. TIRE EFFICIENCY PROGRAM.

(a) STANDARDS FOR TIRES MANUFACTURED FOR ELECTRIC VEHICLES.—(1) The Secretary shall develop and carry out a program of research, development, demonstration, and commercial application for tire technologies focused on electric drive system and component engineering.

(2) The grading system shall—

(A) in the first sentence, by striking “A tire standard” and inserting the following:—

(3) EFFECT OF STANDARDS AND REGULATIONS.—(A) A tire standard; and

(D) paragraph (1) is redesignated by subparagraph (A), by adding at the end the following:

(B) INCLUSION.—The grading system shall include standards for rating the fuel efficiency of tires designed for use on passenger cars and light trucks.

(3) REQUIREMENTS.—Not later than March 31, 2008, the Secretary shall implement—

(A) policies and procedures for testing and labeling tires for fuel economy to enable tire buyers to make informed purchasing decisions about the fuel economy of tires;

(B) policies and procedures to promote the purchase of energy-efficient replacement tires, including purchase incentives, website listings on the Internet, printed fuel economy guide booklets, and mandatory requirements for tire retailers to provide tire buyers with fuel-efficiency information on tires; and

(C) minimum fuel economy standards for tires, promulgated by the Secretary.

(4) MINIMUM FUEL ECONOMY STANDARDS.—In promulgating minimum fuel economy standards for tires, the Secretary shall design standards that—

(A) ensure that the average fuel economy of replacement tires is equal to or better than the average fuel economy of tires sold as original equipment;

(B) secure the maximum technically feasible and cost-effective fuel savings;

(C) do not adversely affect tire safety;

(D) incorporate the results from—

(i) laboratory testing; and

(ii) to the extent appropriate and available, on-road fleet testing programs conducted by manufacturers; and

(E) do not adversely affect efforts to manage scrap tires.

(5) APPLICABILITY.—The policies, procedures, and standards developed under paragraph (3) shall apply to all tire types and models regulated under the uniform tire quality grades standards in section 575.104 of title 49, Code of Federal Regulations (or a successor regulation).

(b) REVIEW.—(A) IN GENERAL.—Not less than once every 3 years, the Secretary shall—

(i) review the minimum fuel economy standards in effect for tires under this subsection; and

(ii) subject to subparagraph (B), revise the standards as necessary to ensure compliance with standards under paragraph (4).

(5) LIMITATION.—The Secretary may not reduce the average fuel economy standards applicable to replacement tires.

(c) NO PREEMPTION OF STATE LAW.—Nothing in this section preempts any provision of State law relating to higher fuel economy standards applicable to replacement tires designed for use on passenger cars and light trucks.

(d) EXCEPTIONS.—Nothing in this section shall apply to—

(A) a tire or group of tires with the same SKU, plant, and year model; and

(B) a tire or group of tires with the same SKU, plant, and year model with the volume of tires produced or imported is less than 15,000 annually;
"(B) a deep tread, winter-type snow tire, or a deep tread, winter-type snow tire;

"(C) a tire with a normal rim diameter of 12 inches or less;

"(D) a motorcycle tire; or

"(E) a tire manufactured specifically for use in an off-road motorized recreational vehicle.

(c) TIMING FOR IMPLEMENTATION.—Beginning not later than March 31, 2008, the Secretary of Transportation shall administer the national fuel economy program established under section 30123(d) of title 49, United States Code, in accordance with the policies, procedures, and standards developed under section 30123(d) of such title.

SEC. 156. HEAVY TRUCK IDLING REDUCTION.

(a) DEFINITIONS.—In this section:

"(1) HEAVY-DUTY MOTOR VEHICLE.—The term "heavy-duty motor vehicle" means a vehicle of greater than 10,000 pounds gross vehicle weight that is driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways, but does not include a vehicle operated only on a rail line.

"(2) IDLING REDUCTION SYSTEM.—The term "idling reduction system" means a system of devices used to reduce long duration idling of a main drive engine in a vehicle.

"(3) LONG DURATION IDLING.—The term "long duration idling" means the operation of a main drive engine of a heavy-duty motor vehicle for a period of more than 5 consecutive minutes when the main drive engine is not engaged in gear, except that such term does not include idling as a result of traffic congestion or other impediments to the movement of heavy-duty motor vehicles.

(b) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Transportation, prescribe regulations that ensure the maximum feasible and cost effective reductions in fuel consumption resulting from long duration idling of heavy-duty motor vehicles. The Administrator shall review the regulations not less frequently than every 3 years and revise the regulations to ensure that the regulations reflect the maximum feasible and cost effective reductions in fuel consumption during long duration idling.

(c) IMPLEMENTATION.—Not later than 1 year after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall prescribe regulations that prevent degradation in air quality resulting from the use of idling reduction systems.

(d) AGREEMENTS WITH STATES.—Section 111 of title 23, United States Code, is amended by adding at the end the following:

"CHAPTER 330—HEAVY DUTY VEHICLE FUEL ECONOMY STANDARDS

Sec. 33001. Purpose and policy.

Sec. 33002. Definitions.

Sec. 33003. Standards.

§ 33001. Purpose and policy

"The purpose of this chapter is to reduce petroleum consumption by heavy duty motor vehicles.

§ 33002. Definitions

"In this chapter, 'heavy duty motor vehicle'—

"(1) means a vehicle of greater than 10,000 pounds gross vehicle weight that is driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways, but does not include a vehicle operated only on a rail line.

"(2) means an alternative fuel vehicle capable of operating using gasoline and one or more alternative fuels, includ—

"(A) ethanol

"(B) electricity from an external charging source sufficient to power the vehicle for at least 20 miles of driving.

"(1) OWNER OR LESSOR.—The term "owner or lessor" means—

"(A) a franchisor who owns, leases, or controls a retail gasoline outlet at which the franchise is authorized or permitted, under the franchise agreement, to sell alternative fuel;

"(B) a retailer or distributor who owns, leases, or controls a retail gasoline outlet;

"(2) AGREEMENTS WITH STATES.

"(A) A NEW SHOWROOM OR NATIONWIDE AGREEMENT.—The Secret—

"(B) cooper.—The Secretary may adopt, amend, or rescind standards.

"(3) FLEXIBLE FUEL VEHICLES.

"In this chapter, 'flexible fuel vehicle' means a vehicle for which it is prescribed; and

"(3) FLEXIBLE FUEL VEHICLES.

"In this chapter, 'flexible fuel vehicle' means a vehicle for which it is prescribed; and

"(A) ethanol.

"(B) electricity from an external charging source sufficient to power the vehicle for at least 20 miles of driving.

"(4) OWNER OR LESSOR.—The term "owner or lessor" means—

"(A) a franchisor who owns, leases, or controls a retail gasoline outlet at which the franchise is authorized or permitted, under the franchise agreement, to sell alternative fuel;

"(B) a retailer or distributor who owns, leases, or controls a retail gasoline outlet.

"(1) IN GENERAL.—Of the new light duty vehicles sold in the United States—

"(A) not less than 10 percent manufactured for model year 2009 shall be alternative fuel automobiles or flexible fuel vehicles;

"(A) not less than 20 percent manufactured for model year 2010 shall be alternative fuel automobiles or flexible fuel vehicles;

"(A) not less than 35 percent manufactured for model year 2011 shall be alternative fuel automobiles or flexible fuel vehicles;

"(A) not less than 50 percent manufactured for model year 2012 and each year thereafter shall be alternative fuel automobiles or flexible fuel vehicles.

"(2) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue regulations to carry out the provisions of this subsection.

"(c) ALTERNATIVE FUEL RETAIL OUTLETS.

"(1) REQUIREMENT.—Beginning in the year in which 10 percent or more of the registered vehicles in a county are capable of using a designated alternative fuel, each owner or lessor of a retail gasoline outlet with 10 or more vehicle fuel pumps in that county shall offer such designated alternative fuel at not less than 10 percent of such pumps.

"(2) COMPLIANCE.—An owner or lessor is in compliance with the requirement under paragraph (1) if the owner or lessor—

"(3) PROJECTIONS.—Not later than July 1st of each year, the Secretary of Energy shall—

"(4) IDENTIFICATION.—The Secretary shall identify the counties in which at least 10 percent of the registered vehicles are expected to be capable of using a designated alternative fuel within the following 18-month period; and

"(5) REPORTING.—Not later than July 1st of each year, the Secretary of Energy shall—

"(6) ALTERNATIVE FUEL; ALTERNATIVE FUEL VEHICLE.—The terms "alternative fuel" and "alternative fuel vehicle" shall have the meanings given such terms in section 3209 of title 49, United States Code.

"(7) ALTERNATIVE FUEL REFUELING RETAIL OUTLET.—The term "alternative fuel refueling retail outlet" means an establishment—

"(8) FUEL EFFICIENCY FOR HEAVY DUTY TRUCKS.

"Part C of subtitle VI of title 49, United States Code, is amended by inserting after chapter 330 the following:

"CHAPTER 330—HEAVY DUTY VEHICLE FUEL ECONOMY STANDARDS

Sec. 33001. Purpose and policy.

Sec. 33002. Definitions.

Sec. 33003. Standards.

§ 33001. Purpose and policy

"The purpose of this chapter is to reduce petroleum consumption by heavy duty motor vehicles.

§ 33002. Definitions

"In this chapter, 'heavy duty motor vehicle'—

"(1) means a vehicle of greater than 10,000 pounds gross vehicle weight that is driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways, but does not include a vehicle operated only on a rail line.

"(2) means an alternative fuel vehicle capable of operating using gasoline and one or more alternative fuels, includ—

"(A) ethanol.

"(B) electricity from an external charging source sufficient to power the vehicle for at least 20 miles of driving.

"(4) OWNER OR LESSOR.—The term "owner or lessor" means—

"(A) a franchisor who owns, leases, or controls a retail gasoline outlet at which the franchise is authorized or permitted, under the franchise agreement, to sell alternative fuel;

"(B) a retailer or distributor who owns, leases, or controls a retail gasoline outlet.

"(1) IN GENERAL.—Of the new light duty vehicles sold in the United States—

"(A) not less than 10 percent manufactured for model year 2009 shall be alternative fuel automobiles or flexible fuel vehicles;

"(A) not less than 20 percent manufactured for model year 2010 shall be alternative fuel automobiles or flexible fuel vehicles;

"(A) not less than 35 percent manufactured for model year 2011 shall be alternative fuel automobiles or flexible fuel vehicles;

"(A) not less than 50 percent manufactured for model year 2012 and each year thereafter shall be alternative fuel automobiles or flexible fuel vehicles.

"(2) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue regulations to carry out the provisions of this subsection.

"(c) ALTERNATIVE FUEL RETAIL OUTLETS.

"(1) REQUIREMENT.—Beginning in the year in which 10 percent or more of the registered vehicles in a county are capable of using a designated alternative fuel, each owner or lessor of a retail gasoline outlet with 10 or more vehicle fuel pumps in that county shall offer such designated alternative fuel at not less than 10 percent of such pumps.

"(2) COMPLIANCE.—An owner or lessor is in compliance with the requirement under paragraph (1) if the owner or lessor—

"(3) PROJECTIONS.—Not later than July 1st of each year, the Secretary of Energy shall—

"(4) IDENTIFICATION.—The Secretary shall identify the counties in which at least 10 percent of the registered vehicles are expected to be capable of using a designated alternative fuel within the following 18-month period; and

"(5) REPORTING.—Not later than July 1st of each year, the Secretary of Energy shall—

"(6) ALTERNATIVE FUEL; ALTERNATIVE FUEL VEHICLE.—The terms "alternative fuel" and "alternative fuel vehicle" shall have the meanings given such terms in section 3209 of title 49, United States Code.

"(7) ALTERNATIVE FUEL REFUELING RETAIL OUTLET.—The term "alternative fuel refueling retail outlet" means an establishment—

"(8) FUEL EFFICIENCY FOR HEAVY DUTY TRUCKS.

"Part C of subtitle VI of title 49, United States Code, is amended by inserting after chapter 330 the following:

"CHAPTER 330—HEAVY DUTY VEHICLE FUEL ECONOMY STANDARDS

Sec. 33001. Purpose and policy.

Sec. 33002. Definitions.

Sec. 33003. Standards.
(4) Rulemaking.—The Secretary of Energy shall issue regulations to carry out the provisions of this subsection.

SEC. 159. OIL SAVINGS STUDIES.
(a) The Secretary of Transportation shall develop and implement pilot projects the purpose of which is to reduce vehicle miles traveled.
(b) By CONTRACT TOLLING EVALUATION STUDY.—The Secretary of Transportation shall carry out a national evaluation study to determine how technology can best be applied to assuage the following:
(1) mileage-based road user charges on major highways at peak-commuting times for the purposes of
(A) reducing oil usage;
(B) lessening highway congestion; and
(C) expanding travel alternatives; and
(2) the economic impact on users.
(c) PARKING CASH-OUT EVALUATION PROJECT.—The Secretary of Transportation shall carry out a national evaluation pilot project to assess how offering commuters the option to receive the cash value of their workplace parking place instead of free parking can
(1) reduce oil usage;
(2) lessen highway congestion; and
(3) promote economic development.
(d) AUTHORIZATION OF APPROPRIATIONS.—
There are authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2006 through 2015.

SEC. 159A. NATIONAL MEDIA CAMPAIGN TO DECREASE OIL CONSUMPTION.
(a) IN GENERAL.—The Secretary of Energy, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the “Secretary”), shall develop and conduct a national media campaign for the purpose of decreasing oil consumption in the United States over the next decade.
(b) CONTRACT WITH ENTITY.—The Secretary shall carry out subsection (a) directly or through
(1) contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements; or
(2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements.
(c) TOP FUNDERS.—
(1) IN GENERAL.—Amounts made available to carry out this section shall be used for the following:
(A) ADVERTISING COSTS.—
(i) The purchase of media time and space.
(ii) Creative and talent costs.
(iii) (c) Evaluation of advertising.
(iv) Evaluation of the effectiveness of the media campaign.
(B) NEGOTIATED FEES.—The negotiated fees for the winning bidder on contracts issued under this section shall be used by the Secretary for purposes otherwise authorized in this section.
(C) ENTERTAINMENT Industry outreach, interactive outreach, media projects and activities, public information, news media outreach, and corporate sponsorship and participation.
(D) ADMINISTRATIVE COSTS.—Administrative and management expenses.
(2) LIMITATIONS.—In carrying out this section, the Secretary shall allocate not less than 85 percent of funds made available under subsection (e) for each fiscal year for the advertising functions specified under paragraph (1)(A).
(e) IN GENERAL.—The Secretary shall annually submit to Congress a report that describes—
(1) the strategy of the national media campaign and whether specific objectives of the campaign were accomplished, including—
(A) determinations concerning the rate of change of oil consumption, in both absolute and per capita terms; and
(B) an evaluation that enables consideration whether the media campaign contributed to reduction; and
(2) steps taken to ensure that the national media campaign operates in an effective and efficient manner consistent with the overall strategy and focus of the campaign.
(f) PLANNING.—The Secretary shall plan that is adequate to achieve the targets identified in the report.
(g) AUTHORIZATION OF APPROPRIATIONS.—
There is authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2006 through 2010.

SEC. 159B. OIL SAVINGS TARGET AND ACTION PLAN.
Not later than 270 days after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this section as the “Director”) shall publish in the Federal Register an action plan consisting of—
(1) a list of requirements proposed pursuant to section 159C that are authorized to be issued under law in effect on the date of enactment of this Act, and this subtitle, that will be taken together to save from the baseline determined under section 159F, at least
(A) 1,000,000 barrels of oil per day during calendar year 2015; and
(B) 2,500,000 barrels per day during calendar year 2020; and
(2) a Federal Government-wide analysis that analyzes—
(A) the expected oil savings from the baseline to be accomplished by each requirement; and
(B) whether all such requirements, taken together, will achieve the oil savings specified in this section.

SEC. 159C. STANDARDS AND REQUIREMENTS.
(a) SEC. 159B.—On or before the date of publication of the action plan under section 159B, the Secretary shall propose new or revised regulations established under section 159C.
(b) SEC. 159D.—Not later than 180 days after the date on which regulations are proposed under subsection (a), the Secretary shall promulgate final versions of those regulations.

SEC. 159D. INITIAL EVALUATION.
(a) SEC. 159A.—Not later than 2 years after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this section as the “Director”) shall publish in the Federal Register a Federal Government-wide analysis of the oil savings achieved from the baseline established under section 159B.
(b) SEC. 159B.—If the oil savings are less than the targets established under section 159B, simultaneously with the analysis required under subsection (a)—
(1) the Director shall publish a revised action plan that is adequate to achieve the targets; and
(2) the Secretary of Energy, the Secretary of Transportation, and the Administrator shall propose new or revised regulations under subsections (a), (b), and (c), respectively, of section 159C.

SEC. 159E. REVIEW AND UPDATE OF ACTION PLAN.
(a) SEC. 159A.—Not later than January 1, 2010, and every 3 years thereafter, the Director shall publish a revised action plan that is adequate to achieve the oil savings targets established under section 159B;
(b) SEC. 159B.—Not later than 180 days after the date on which regulations are promulgated under subsection (a), the Administrator shall promulgate final versions of those regulations.

SEC. 159F. BASELINE AND ANALYSIS REQUIREMENTS.
In performing the analyses and promulgating proposed or final regulations to establish standards and other requirements necessary to achieve the oil savings required by this subtitle, the Director of the Office of Management and Budget, the Secretary of Energy, the Secretary of Transportation, and the Administrator shall—
(1) determine oil savings as the projected reduction in oil consumption from the baseline established by the reference case contained in the report required under subsection (a), (b), and (c), respectively.
(2) In the report required under subsection (a), (b), and (c), respectively.
(3) the Federal Government-wide analysis described in subsection (c) and the amendments made by this subtitle; and
(4) compare the oil savings identified in subsection (a), (b), and (c), respectively, of section 159C.
(5) SEC. 159G.—On or before the date of the action plan under section 159B, the Secretary shall propose regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the Secretary.
(b) SEC. 159H.—The Secretary of Transportation shall propose regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the Secretary.
(c) SEC. 159I.—On or before the date of the action plan under section 159B, the Administrator shall propose regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the Administrator.
(d) SEC. 159J.—Not later than 18 months after the date of enactment of this Act, the Secretary, the Secretary of Transportation, and the Administrator shall promulgate final regulations described in subsections (a), (b), and (c), respectively.
(e) SEC. 159K.—The regulations promulgated under this section shall—
(1) be accompanied by an agency analysis of the oil savings from the baseline determined under section 159F that the regulation will achieve; and
(2) the Secretary referred to in this section as the “Director”) shall publish in the Federal Register a Federal Government-wide analysis of the oil savings achieved from the baseline established under section 159B.
(f) SEC. 159L.—Not later than 180 days after the date on which regulations are proposed under subsection (a), the Secretary shall promulgate final versions of those regulations.

SEC. 159M. BASELINE AND ANALYSIS REQUIREMENTS.
In performing the analyses and promulgating proposed or final regulations to establish standards and other requirements necessary to achieve the oil savings described by this subtitle, the Director of the Office of Management and Budget, the Secretary of Energy, the Secretary of Transportation, and the Administrator shall—
(1) determine oil savings as the projected reduction in oil consumption from the baseline established by the reference case contained in the report required under subsection (a), (b), and (c), respectively.
(2) determine the oil savings projections required on an annual basis for each of calendar years 2008 through 2025; and

(3) account for any overlap among the standards and requirements to ensure that the projected oil savings from all the promulgated standards and requirements, taken together, are as accurate as practicable.

SA 949. Mr. REED submitted an amendment intended to be proposed by him in the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

SEC. 3. COST-SHARING PLAN

Section 3 of the Natural Gas Act (15 U.S.C. 717b) (as amended by section 381) is amended by adding at the end the following:

"(B) the Commission may approve an application intended to be proposed by an applicant to site, construct, expand, or operate a liquefied natural gas import facility, the Commission shall require the applicant, in cooperation with the Commandant of the Coast Guard and State and local agencies that provide for the safety and security of the liquefied natural gas import facility and vessels that serve the facility, to develop a cost-sharing plan.

(B) A cost-sharing plan developed under subparagraph (A) shall include a description of any direct cost reimbursements that the applicant agrees to provide to any State and local agencies with responsibility for security—

1. In proximity to vessels that serve the facility;

(C) The Commission shall promulgate regulations under the National Environmental Policy Act pre-filing process within 60 days of enactment of this section.

(D) An application seeking Commission approval for an LNG facility shall follow the National Environmental Policy Act pre-filing process to commence at least 7 months prior to the filing of an application for authorization to construct an LNG facility. During this pre-filing process the applicant shall—

1. File all the relevant Federal and State agencies with corresponding permitting requirements;

2. Include documents establishing that the applicant has notified the relevant Federal and State agencies of the applicant’s intent to file an application with the Commission;

3. Identify interested persons and organizations that have been contacted about the project; and

4. Detail stakeholder outreach efforts to date and the pre-filing plan to facilitate stakeholder communications and outreach efforts.

(E) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(F) A lead State agency may furnish an advisory report to the Commission with respect to an application no later than 30 days after the application was filed with the Commission. An advisory report may address issues concerning, but not limited to, the siting issues, access to infrastructure, alternative potential locations, safety and security concerns, and access to emergency responders.

(G) Before issuing an order authorizing an applicant to site, construct, expand, or operate a liquefied natural gas import facility, the Commission shall require the applicant to lie on the table; as follows:

1. A list of all the relevant Federal and State agencies of the applicant’s intent to file an application with the Commission;

2. Identify interested persons and organizations that have been contacted about the project; and

3. Detail stakeholder outreach efforts to date and the pre-filing plan to facilitate stakeholder communications and outreach efforts.

(H) This paragraph shall apply to any application filed after the date of enactment of this paragraph. A lead State agency has 30 days after the date of enactment of this paragraph to file an advisory report related to any applications pending at the Commission as of the date of enactment of this paragraph.

(I) Before issuing an order authorizing an applicant to site, construct, expand, or operate a liquefied natural gas import facility, the Commission shall require the applicant to lie on the table; as follows:

1. A list of all the relevant Federal and State agencies of the applicant’s intent to file an application with the Commission;

2. Identify interested persons and organizations that have been contacted about the project; and

3. Detail stakeholder outreach efforts to date and the pre-filing plan to facilitate stakeholder communications and outreach efforts.

(J) The Commission shall promulgate regulations under the National Environmental Policy Act pre-filing process within 60 days of enactment of this section.

(K) An application seeking Commission approval for an LNG facility shall follow the National Environmental Policy Act pre-filing process to commence at least 7 months prior to the filing of an application for authorization to construct an LNG facility. During this pre-filing process the applicant shall—

1. File all the relevant Federal and State agencies with corresponding permitting requirements;

2. Include documents establishing that the applicant has notified the relevant Federal and State agencies of the applicant’s intent to file an application with the Commission;

3. Identify interested persons and organizations that have been contacted about the project; and

4. Detail stakeholder outreach efforts to date and the pre-filing plan to facilitate stakeholder communications and outreach efforts.

(H) This paragraph shall apply to any application filed after the date of enactment of this paragraph. A lead State agency has 30 days after the date of enactment of this paragraph to file an advisory report related to any applications pending at the Commission as of the date of enactment of this paragraph.

(iii) a requirement to file with the Commission schedules of contracts related to the rates, charges, terms, or conditions of service of the liquefied natural gas import facility.

(iii) a requirement to file with the Commission schedules of contracts related to the rates, charges, terms, or conditions of service of the liquefied natural gas import facility.

(iv) include documents establishing that the applicant has notified the relevant federal and state agencies of the applicant’s intent to file an application with the commission.

(v) include documents establishing that the applicant has notified the relevant federal and state agencies of the applicant’s intent to file an application with the Commission.

(vi) include documents establishing that the applicant has notified the relevant federal and state agencies of the applicant’s intent to file an application with the Commission.

(vii) a list of all the relevant Federal and State agencies that provide for the safety and security of the liquefied natural gas import facility and vessels that serve the facility.

(viii) include documents establishing that the applicant has notified the relevant federal and state agencies of the applicant’s intent to file an application with the Commission.

(ix) detail stakeholder outreach efforts to date and the pre-filing plan to facilitate stakeholder communications and outreach efforts.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.

(x) Upon completion of the pre-filing process under the National Environmental Policy Act, the applicant may file its application with the Commission.
subsection over $5,000,000 for the fiscal year.”

On page 76, lines 9 and 10, strike “January 1, 2006” and insert “January 1, 2007.”

On page 254, line 21 through 25, and insert the following:

(20) by striking “section 104(b) of the Naval Petroleum Reserves Production Act of 1976 (20 U.S.C. 6942)” and inserting “section 104(a);” and

On page 296, after line 25, add the following:

SEC. 4. FINGER LAKES WITHDRAWAL.

All Federal land within the boundary of Finger Lakes National Forest in the State of New York is withdrawn from

(1) appropriation, or disposal under the public land laws; and

(2) disposition under all laws relating to oil and gas leasing.

On page 331, line 18, insert “by the Commission” after “request”.

On page 333, strike lines 19 through 24 and insert the following:

on Indian land.

(’’C’’) provide low-interest loans to Indian tribes and tribal energy resource development organizations for use in the promotion of energy resource development on Indian land and tribal energy resources; and

(’’D’’) provide grants and technical assistance to an appropriate tribal environmental organization, as determined by the Secretary, that represents multiple Indian tribes to establish a national resource center to develop tribal capacity to establish and carry out tribal environmental programs in support of energy-related programs and activities under this title, including—

(i) training programs for tribal environmental officials, program managers, and other environmental representatives;

(ii) the development of model environmental policies and tribal laws, including tribal environmental review codes, and the creation and maintenance of a clearinghouse of best environmental management practices; and

(iii) recommended standards for reviewing the implementation of tribal environmental laws and policies within tribal judicial or other tribal appeals systems.

On page 356, between lines 15 and 16, insert the following:

(’’C’’) In providing a grant under this subsection for an activity to provide, or expand the provision of, electricity on Indian land, the Director shall encourage cooperative arrangements between Indian tribes and utilities that provide service to Indian tribes, as the Secretary determines to be appropriate.

On page 357, line 6, insert “(’’A’’) after “(’’2’’).”

On page 357, between lines 16 and 17, insert the following:

(’’B’’) Providing a loan guarantee under this subsection for an activity to provide, or expand the provision of, electricity on Indian land, the Secretary of Energy shall encourage cooperative arrangements between Indian tribes and utilities that provide service to Indian tribes, as the Secretary determines to be appropriate.

On page 358, strike lines 5 through 9 and insert the following:

(a) DEFINITION OF LIGNOCELLULOSIC FEEDSTOCK.—In this section the term “lignocellulosic feedstock” means any portion of a plant or copродuc from conversion, including crops, trees, and agricultural and forest residues not specifically grown for food.

On page 489, line 3, strike “cellulosic feedstocks” and insert “lignocellulosic feedstocks.”

On page 489, lines 11 and 12, strike “cellulosic feedstocks” and insert “lignocellulosic feedstocks.”

On page 503, strike lines 22 through 24.

On page 504, line 1, strike “(’’2’’) and insert “(’’1’’).”

On page 504, strike lines 4 through 7 and insert the following:

(2) For activities under section 955—

(A) $337,000,000 for fiscal year 2006;

(B) $364,000,000 for fiscal year 2007; and

(C) $394,000,000 for fiscal year 2008.

(3) For activities under section 956—

(A) $20,000,000 for fiscal year 2006;

(B) $25,000,000 for fiscal year 2007; and

(C) $30,000,000 for fiscal year 2008.

On page 504, line 24, strike “(’’c’’(2)” and insert “(’’b’’(2)).”

Beginning on page 505, strike lines 17 and all that follows through page 506, line 2.

On page 506, line 3, strike “(c)” and insert “(b)”

On page 506, line 11, strike “(d)” and insert “(c)”.

Beginning on page 519, strike line 9 and all that follows through page 523, line 6, and insert the following:

SEC. 955. COAL AND RELATED TECHNOLOGIES PROGRAM.

(a) IN GENERAL.—In addition to the programs authorized under title IV, the Secretary shall conduct a program of technology research, development, and demonstration and commercial application of coal and power systems, including programs to facilitate production and generation of coal-based power through—

(1) innovations for existing plants (including mercury removal);

(2) gasification systems;

(3) advanced combustion systems;

(4) turbines for synthesis gas derived from coal;

(5) carbon capture and sequestration research and development;

(6) coal-derived chemicals and transportation fuels;

(7) liquid fuels derived from low rank coal water;

(8) solid fuels and feedstocks;

(9) advanced coal-related research;

(10) advanced separation technologies; and

(11) fuel cells for the operation of synthesis gas derived from coal.

(b) COST AND PERFORMANCE GOALS.—

(1) IN GENERAL.—In carrying out programs authorized under this section, the Secretary shall identify cost and performance goals for coal-based technologies that would permit the continued cost-competitive use of coal for the production of coal feedstocks, and transportation fuels in 2008, 2010, 2012, and 2016, and each calendar year beginning after September 30, 2021.

(2) ADMINISTRATION.—In establishing the cost and performance goals, the Secretary shall—

(A) consider activities and studies undertaken as of the date of enactment of this Act by industry in cooperation with the Department in support of the identification of the goals; and

(B) consult with interested entities, including—

(i) coal producers;

(ii) industries using coal;

(iii) organizations that promote coal and advanced coal technologies;

(iv) environmental organizations;

(v) organizations representing workers; and

(vi) organizations representing consumers;

(C) not later than 120 days after the date of enactment of this Act, publish in the Federal Register proposed cost and performance goals for public comments; and

(D) not later than 180 days after the date of enactment of this Act and every 4 years thereafter, submit to Congress a report describing the final cost and performance goals for the technologies that includes—

(i) a list of technical milestones; and

(ii) an explanation of how programs authorized in this section will not duplicate the activities authorized under the Clean Coal Power Initiative authorized under title IV.

(c) POWDER RIVER BASIN AND FORT UNION LIGNITE COAL MERCURY REMOVAL.

The Secretary shall provide to the programs authorized by subsection (a), the Secretary may establish a program to test and develop technologies to control and remove mercury emissions from subbituminous coal mined in the Powder River Basin, and Fort Union lignite coals, that are used for the generation of electricity.

SEC. 956. CARBON CAPTURE RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a 10-year carbon capture research and development program to develop carbon dioxide capture technologies on combustion-based systems for use—

(1) in new coal utilization facilities; and

(2) on the fleet of coal-based units in existence on the date of enactment of this Act.

(b) OBJECTIVES.—The objectives of the program under subsection (a) shall be—

(1) to develop carbon dioxide capture technologies, including absorption techniques and chemical processes, to remove the carbon dioxide from gas streams containing carbon dioxide potentially amenable to sequestration;

(2) to develop technologies that would directly produce concentrated streams of carbon dioxide potentially amenable to sequestration;

(3) to increase the efficiency of the overall system to reduce the quantity of carbon dioxide emissions released from the system per megawatt generated; and

(4) in accordance with the carbon dioxide capture program, to promote a robust carbon sequestration program and continue the work of the Department, in conjunction with the private sector, through regional carbon sequestration partnerships.

On page 522, between lines 8 and 9, insert the following:

(d) FUEL CELLS.—

(1) IN GENERAL.—The Secretary shall conduct a program of research, development, demonstration, and commercial application on fuel cells for low-cost, high-efficiency, fuel-flexible, modular power systems.

(2) DEMONSTRATIONS.—The demonstrations referred to in paragraph (1) shall include solid oxide fuel cell technology for commercial, residential, and transportation applications, and distributed generation systems, using improved manufacturing production and processes.

On page 558, beginning on line 22, strike “of the Senate” and all that follows through “Commerce” on line 23 and insert “and the Committee on Foreign Relations of the Senate and the Committee on Energy and Commerce and the Committee on International Relations”.

On page 596, between lines 4 and 5, insert the following:

(2) REPORT ON TRENDS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report on current trends under paragraph (1), with recommendations (as appropriate) to meet the future labor requirements for the energy technology industries.

On page 596, line 8, delete “(2)” and insert the following:

(3) REPORT ON SHORTAGE.—As
On page 596, strike line 22 and all that follows through page 597, line 20, and insert the following:

SEC. 1103. EDUCATIONAL PROGRAMS IN SCIENCE AND MATHEMATICS.

(a) SCIENCE EDUCATION ENHANCEMENT FUND.—Section 3164 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381a) is amended by adding at the end:

"(c) SCIENCE EDUCATION ENHANCEMENT FUND.—The Secretary shall use not less than 0.2 percent of the amount made available to the Department for fiscal year 2006 and each fiscal year thereafter to carry out activities authorized by this section.

(b) AUTHORIZED EDUCATION ACTIVITIES.—Section 3165 of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381d) is amended by adding at the end the following:

"(14) Support competitive events for students under the supervision of teachers, designed to encourage student interest and knowledge in science and mathematics.

"(15) Support competitively-awarded, peer-reviewed programs to promote professional development for mathematics teachers and science teachers who teach in grades from kindergarten through grade 12 at Department research and development facilities.

"(16) Teacher internships at Department research and development facilities, for mathematics teachers and science teachers who teach in grades from kindergarten through grade 12.

"(17) Sponsor and assist in educational and training activities identified as critical skills needs for future workforce development at Department research and development facilities.

(c) EDUCATIONAL PARTNERSHIPS.—Section 3166(b) of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381b) is amended by adding at the end:

"(1) by striking paragraph (1) and inserting the following:

"'(1) loaning or transferring equipment to the institution;'

"(2) in paragraph (5), by striking "and" at the end;

"(3) in paragraph (6), by striking the period at the end and inserting "and"; and

"(4) by adding at the end the following:

"'(7) to enter into formal institutional agreements with local schools, systems, or other formal education institutions to hire personnel to facilitate interactions between local school systems, Department research and development facilities, and corporate and governmental entities.'"

(d) DEFINITION OF DEPARTMENT RESEARCH AND DEVELOPMENT FACILITIES.—Section 3167(3) of the Department of Energy Science Education Enhancement Act (42 U.S.C. 7381c(b)) is amended—

"(1) by striking paragraph (1) and inserting the following:

"'(1) a Department facility that is a corporate research and development organization;

"(2) the availability of skilled labor at both entry level and more senior levels; and

"(3) recommendations for future actions needed to meet future labor requirements.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to the Secretary and Congress a report on the study conducted under this section.

SEC. 13. STUDY OF AVAILABILITY OF SKILLED WORKERS.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of the short-term and long-term availability of skilled workers to meet the energy and mineral security requirements of the United States.

(b) INCLUSIONS.—The study shall include an analysis of:

"(1) the need for and availability of workers for the oil, gas, and mineral industries;

"(2) the availability of skilled labor at both entry level and more senior levels; and

"(3) recommendations for future actions needed to meet future labor requirements.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study.

SEC. 954. SA 953.

(a) SHORT TITLE.—This subchapter may be cited as the "Oil Security Act".

(b) FINDINGS.—Congress finds that:

"(1) the United States is dangerously dependent on oil;

"(2) that dependence threatens the national security, weakens the economy, and harms the environment of the United States;

"(3) the United States currently imports nearly 60 percent of oil needed in the United States.

SEC. 151. SHORT TITLE, FINDINGS AND PURPOSES.

(a) SHORT TITLE.—This subchapter may be cited as the "Oil Security Act".

(b) FINDINGS.—Congress finds that:

"(1) the United States is dangerously dependent on oil;

"(2) that dependence threatens the national security, weakens the economy, and harms the environment of the United States;

"(3) the United States currently imports nearly 60 percent of oil needed in the United States.

On page 599, line 17, strike "(c)" and insert "(d)".

On page 686, line 3, insert "by the Commission" after "request".

On page 755, after line 25, add the following:

"SEC. 12. STUDY OF LINK BETWEEN ENERGY SECURITY AND INCREASES IN VEHICLE MILES TRAVELED.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall conduct a study to assess the implications on energy use and efficiency of land development patterns in the United States.

(b) SCOPE.—The study shall consider:

"(1) the correlation, if any, between land development patterns and increases in vehicle miles traveled;

"(2) whether petroleum use in the transportation sector can be reduced through changes in the design of development patterns;

"(3) the potential benefits of—

"(A) information and education programs for State and local officials (including planning officials) on the potential for energy savings through planning, design, development, and infrastructure decisions;

"(B) incorporation of location efficiency models in infrastructure planning and investments; and

"(C) transportation policies and strategies to help transportation planners manage the transition to reduced petroleum use in vehicle trips, including trips that increase the viability of other means of travel; and

"(4) such other considerations relating to the study topic as the National Academy of Sciences finds appropriate.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to the Secretary and Congress a report on the study conducted under this section.

SEC. 325. OUTER CONTINENTAL SHELF.

On page 120, strike line 21 and all that follows through page 122, line 14, and insert the following:

Subtitle D—Oil Security

SEC. 151. SHORT TITLE, FINDINGS AND PURPOSES.

SEC. 958. On page 56, between lines 17 and 18, insert the following:

On page 686, between lines 15 and 18, insert the following:

On page 114, between lines 17 and 18, insert the following:

On page 99, line 17, strike "(c)" and insert "(d)".

On page 755, after line 25, add the following:

"SEC. 12. STUDY OF LINK BETWEEN ENERGY SECURITY AND INCREASES IN VEHICLE MILES TRAVELED.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall conduct a study to assess the implications on energy use and efficiency of land development patterns in the United States.

(b) SCOPE.—The study shall consider:

"(1) the correlation, if any, between land development patterns and increases in vehicle miles traveled;

"(2) whether petroleum use in the transportation sector can be reduced through changes in the design of development patterns;

"(3) the potential benefits of—

"(A) information and education programs for State and local officials (including planning officials) on the potential for energy savings through planning, design, development, and infrastructure decisions;

"(B) incorporation of location efficiency models in infrastructure planning and investments; and

"(C) transportation policies and strategies to help transportation planners manage the transition to reduced petroleum use in vehicle trips, including trips that increase the viability of other means of travel; and

"(4) such other considerations relating to the study topic as the National Academy of Sciences finds appropriate.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to the Secretary and Congress a report on the study conducted under this section.

SEC. 13. STUDY OF AVAILABILITY OF SKILLED WORKERS.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of the short-term and long-term availability of skilled workers to meet the energy and mineral security requirements of the United States.

(b) INCLUSIONS.—The study shall include an analysis of:

"(1) the need for and availability of workers for the oil, gas, and mineral industries;

"(2) the availability of skilled labor at both entry level and more senior levels; and

"(3) recommendations for future actions needed to meet future labor requirements.

(c) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study.

SEC. 954. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, To ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 10, line 5, insert "and each State in the same OCS planning area with a coastline after "State".".

SEC. 957. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, To ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 10, line 5, insert "and each State in the same OCS planning area with a coastline after "State".".

SEC. 958. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill H.R. 6, To ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 686, between lines 15 and 18, insert the following:

Subtitle D—Oil Security

SEC. 151. SHORT TITLE, FINDINGS AND PURPOSES.

SEC. 955. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, To ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 10, line 5, insert "and each State in the same OCS planning area with a coastline after "State".".
States, and that ratio is expected to grow to almost 70 percent by 2025 if no actions are taken; 
(4) approximately 2,500,000 barrels of oil per day are imported from countries in the Persian Gulf region; 
(5) that dependence on foreign oil undermines the war on terror by financing both sides of the battle.

SEC. 30D. ADVANCED TECHNOLOGY MOTOR VEHICLES MANUFACTURING CREDIT. 

(a) CREDIT ALLOWED.—
(1) In general.—The basis of any qualified hybrid motor vehicle manufactured during the taxable year shall be reduced by an amount equal to 33 percent of the qualified investment attributable to production of such vehicle.

(2) CERTIFICATION.—The credit allowed under subsection (a) for any taxable year shall not exceed the credit allowable under paragraph (1) for the taxable year.

(3)/application.—For purposes of this section, the term ‘advanced technology motor vehicle’ means a motor vehicle—

(A) which is designed to operate primarily using any exhaust or nonexhaust emission control system that is necessary for complete combustion of the fuel, 

(B) which incorporates direct injection, 

(C) which achieves at least 25 percent of the 2022 model year city fuel economy, and 

(D) which, for 2004 and later model vehicles, has received a certificate that such vehicle meets or exceeds 

(i) in the case of any vehicle having a gross vehicle weight rating of not more than 6,000 pounds, the Bin 5 Tier II emission standard established in regulations prescribed by the Environmental Protection Agency under section 202(e) of the Clean Air Act for that make and model year vehicle, and 

(ii) in the case of any vehicle having a gross vehicle weight rating of not more than 8,500 pounds, the Bin 8 Tier II emission standard as so established.

(3) ELIGIBLE COMPONENTS.—The term ‘eligible component’ means any component specifically designed for any advanced technology motor vehicle and installed for the purpose of meeting the performance requirements for such vehicle, including—

(A) with respect to any gasoline-electric new qualified hybrid motor vehicle—

(i) electric motor or generator, (ii) power split device, (iii) power control unit, (iv) power control software, (v) integrated starter generator, or (vi) battery, 

(B) with respect to any advanced battery electric motor vehicle—

(i) diesel engine, (ii) turbocharger, (iii) fuel injection system, or (iv) after-treatment system, such as a particle filter or NOx absorber, and 

(C) any other component submitted for approval by the Secretary.

(e) ENGINEERING INTEGRATION COSTS.—For purposes of subsection (c)(1)(B), costs for engineering integration are costs incurred prior to the market introduction of advanced technology vehicles for engineering tasks related to—

(1) incorporating eligible components into the design of advanced technology vehicles, and 

(2) designing new tooling and equipment for production facilities which produce eligible components or advanced technology vehicles.

(f) REDUCTION IN BASIS.—For purposes of subsection (c)(1)(B), the credit allowable under subsection (a) for the taxable year shall not exceed the excess of—

(1) the sum of—

(A) the regular tax liability (as defined in section 26(b)) for such taxable year, plus 

(B) the tax imposed by section 55 for such taxable year, over 

(2) the sum of the credits allowable under subpart A and sections 27, 30, 30B, and 30C for the taxable year.

(g) REDUCTION IN BASIS.—For purposes of this subsection, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this paragraph) result from such expenditure shall be reduced by the amount of the credit so allowed.

(h) NO DOUBLE BENEFIT.—The amount of any deduction or other credit allowable under this chapter for any cost taken into account in determining the amount of the credits allowable under this section shall not be reduced by the amount of such credit attributable to such cost.
“(1) Business Carriers Allowed.—If the credit allowable under subsection (a) for a taxable year exceeds the limitation under subsection (f) for such taxable year, such excess (including the extent of the credit allowable with respect to property subject to the allowance for depreciation) shall be allowed as a credit against taxes manufactured before rules under similar to the rules of section 39.

“(j) Special Rules.—For purposes of this section, rules similar to the rules of paragraphs (27) of section 179(a) and paragraphs (1) and (2) of section 47(f) shall apply.

“(k) Election Not to Take Credit.—No credit shall be allowed under subsection (a) for any property if the Secretary determines that it is not necessary to have this section apply to such property.

“(l) Regulations.—The Secretary shall prescribe regulations as necessary to carry out the provisions of this section.

“(m) Termination.—This section shall not apply to any qualified investment after December 31, 2015.

(2) Conforming Amendments.—

(a) Section 1016(a), as amended by this Act, is amended by striking “and” at the end of paragraph (32), by striking the period at the end of paragraph (33) and inserting “; and”, and by adding at the end the following new paragraph:

“(34) To the extent provided in section 30D(g).”.

(b) Section 650(m), as amended by this Act, is amended by inserting “30D(k),” after “30C(h).”.

(c) The table of sections for subpart B of part IV of subchapter A of chapter 1, as amended by this Act, is amended by inserting after the item relating to section 30C the following new item:

“Sec. 30D. Advanced technology motor vehicles manufacturing credit.”

(3) Effective Date.—The amendments made by this subsection shall apply to amounts incurred in taxable years beginning after December 31, 2004.

(b) Fuel Economy Calculations.—

(1) In General.—Section 32905 of title 49, United States Code, is amended—

(A) in subsections (b) and (d), by amending paragraph (1) of each subsection to read as follows:

“(1) the number determined by—

(A) subtracting from 1.0 the alternative fuel use factor for the model, and

(B) dividing the difference calculated under subparagraph (A) by the fuel economy measured under section 32905(c) when operating the model on gasoline or diesel fuel; and

and

(ii) by amending paragraph (2) of each subsection to read as follows:

“(2) the number determined by dividing the alternative fuel use factor for the model by the fuel economy measured under subsection (a) when operating the model on alternative fuel; and

and

(B) by adding at the end the following:

“(h) Determination of Alternative Fuel Use Factor.—

“(1) For purposes of subsections (b) and (d), the term ‘alternative fuel use factor’ means, for a model of automobile, the factor determined by the Administrator under paragraph (3).

“(2) At the beginning of each calendar year, the Secretary of Transportation shall estimate the percentage of alternative fuel used to operate all dual fuel automobiles during the most recent 12-month period.

“(3) The Administrator shall determine, by regulation, the alternative fuel use factor for each model of dual fueled automobile, on an energy equivalent basis, by calculating the ratio of the number of one gallon of alternative fuel used by such model bear to the amount of fuel used by such model.”.

(2) Applicability of Existing Standards.—The amendments made by this subsection shall not affect the application of section 32901 of title 49, United States Code, to automobiles manufactured before model year 2007.

(3) Effective Date.—The amendments made by this subsection shall take effect on January 1, 2006.

§ 153. Cellulose Biomass-to-Fuel Early Deployment and Commercialization Initiatives

(a) General Requirements.

(1) Definitions.—In this section:

(A) Cellulose Biomass-to-Fuel.—The term ‘cellulose biomass-to-fuel’ means any fuel that is produced from at least 80 percent cellulosic biomass.

(B) Commercial-Scale Plant.—The term ‘commercial-scale plant’ means a plant that—

(i) has a production capacity of greater than 7,000,000 gallons per year of cellulose biomass-to-fuel and related products, as measured by energy content; and

(ii) uses technology that has been successfully tested in a pilot or demonstration project that produced at least 1,000,000 gallons per year of cellulose biomass-to-fuel and related products, as measured by energy content.

(C) Committee.—The term ‘Committee’ means the Cellulosic Biomass-to-Fuel Review Committee established under paragraph (4).

(D) Pre-Commercial Scale Plant.—The term ‘pre-commercial scale plant’ means—

(i) a plant that has a production capacity of less than 7,000,000 gallons per year of cellulose biomass-to-fuel and related products, as measured by energy content; and

(ii) an existing industrial facility.

(E) Prioritization.—In selecting projects, the Committee shall prioritize the following goals in the following order:

(i) Projects demonstrating the potential for significant advances in biomass processing.

(ii) Projects demonstrating the potential to substantially further scale-sensitive national objectives, including—

(I) sustainable resource supply;

(II) healthier rural economies; and

(III) improved strategic security and trade balances.

(iii) Projects located in local markets that have the greatest need for the facility because of—

(I) a high level of demand for fuel ethanol or other commercial hydroproducts of the facility; or

(II) availability of sufficient quantities of cellulosic biomass.

(F) Reporting.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Committee, shall submit to Congress a report that includes a 10-year and containing—

(i) a detailed assessment of whether the aggregate funding levels provided under subsection (b) are appropriate;

(ii) a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be carried out; and

(iii) a detailed list of milestones for each biomass and related technology that will be pursued.

(2) Periodic Updates.—Until all incentives committed under subsection (b) have been used, the Secretary, in conjunction with the Secretary of the Treasury, shall annually submit to Congress a report on the activities of the Secretary and the Secretary of the Treasury under this section.

(b) Cellulosic Biomass Fuels Incentive Program.—

(1) In General.—

(A) Establishment of Program.—The Secretary, in consultation with the Secretary of the Treasury shall establish a program for providing incentives to cellulosic biomass-to-fuel producers.

(B) In General.—The Secretary may provide loan guarantees and performance incentives to merchant producers of cellulosic biomass-to-fuel in the United States to assist the producers—

(i) to build eligible commercial-ready production facilities; and

(ii) to produce cellulose biomass-to-fuel in accordance with paragraphs (2) (3), and (4).

(C) Total Value of Incentives.—

(i) In General.—As provided in clause (ii), cellulosic biomass-to-fuel facilities selected by the Secretary may receive all of the incentives offered under this subsection.

(ii) Total Value.—The total value to the facility of all incentives offered under this subsection.
Facility on line: | Total Value of Incentives Over the Life of a Facility: The lesser of: |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Per million gallons capacity</td>
<td>Percent of total capital cost</td>
</tr>
<tr>
<td>————————————————</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Year 4</td>
<td>$4,600,000</td>
</tr>
<tr>
<td>Year 6</td>
<td>$3,500,000</td>
</tr>
<tr>
<td>Year 10</td>
<td>$1,500,000</td>
</tr>
</tbody>
</table>

**D) AUTHORIZATION OF APPROPRIATIONS.—** There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this subsection.

**E) TERMINATION OF AUTHORITY.—** The authority of the Secretary and the Secretary of the Treasury to commit to new incentives under paragraphs (2), (3), and (4) shall terminate on the date that is 10 years after the date of enactment of this Act.

**2) CELLULOSIC BIOMASS FUEL LOAN GUARANTEES.**

(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities to process and convert cellulosic biomass into fuel and other commercial byproducts.

(B) LIMITATION.—The total amount of all guarantees under this paragraph shall not exceed $2,000,000,000 at any time during the program.

(C) REQUIREMENTS.—The Secretary may provide a loan guarantee under this paragraph if—

(i) the prospective earning power of the applicant and the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan; and

(ii) the loan bears interest at a rate determined by the Secretary to be reasonable, taking into account—

(I) the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the loan; and

(II) the risk profile of the loan.

(D) TERMS AND CONDITIONS.—The loan agreement for a loan guarantee under this paragraph shall provide that—

(i) no provision of the loan agreement may be amended or waived without the consent of the Secretary, except that this subparagraph shall not apply to—

(I) the loan guarantee shall have a maturity of not more than 20 years; and

(II) the recipient of a loan guarantee under this paragraph shall pay the Secretary an amount determined by the Secretary to be sufficient to cover the administrative costs of the Secretary relating to the loan guarantee.

(E) ELIGIBILITY AND LIMITATIONS.—

(I) IN GENERAL.—In addition to the overall limitation established under paragraph (1)(C)(ii), the maximum loan guarantee that any project that is begun not later than 4 years after the date of establishment of the program under this paragraph may receive shall be the lesser of—

(I) $5,600,000 per million gallons of capacity; or

(II) 80 percent of the total project debt; or

(III) $100,000,000 per facility.

(ii) SCHEDULE.—The Secretary shall establish a schedule of limitations that decrease throughout the period that begins on the date the facility on line begins on the date of establishment of the program under this paragraph and ends on the date that is 10 years after the date of establishment of the program.

(F) FULL FAITH AND CREDIT.—(1) In general.—(i) A full faith and credit of the United States is pledged to the payment of all guarantees issued under this paragraph with respect to principal and interest.

(ii) The Secretary of Energy, in consultation with the Secretary of the Treasury, shall allocate the amount described in subparagraph (A) among cellulosic biomass-to-fuel projects in such manner as the Secretary determines appropriate.

(iii) INCONTESTABLE VALIDITY.—The validity of the guarantee shall be incontestable in the hands of a holder of the guaranteed loan.

(G) ALLOWED USES OF FUNDS.—In the event of a performance shortfall, the loan guarantee fund may be used to pay senior debt or make fixes to increase output or efficiency.

**3) CELLULOSIC BIOMASS FUEL TAX-EXEMPT FINANCING.**

(A) ESTABLISHMENT OF PROGRAM.—(i) In general.—The Secretary of the Treasury, in coordination with the Secretary, shall establish a tax-exempt financing program specifically for commercial scale cellulosic biomass-to-fuel projects.

(ii) PURPOSE.—The program established under clause (i) shall provide tax-exempt financing to construct facilities to process and convert cellulosic biomass into fuel and other commercial byproducts.

(B) TAX CODE AMENDMENTS.—

(i) TREATMENT AS EXEMPT FACILITY BOND.—Subsection (a) of section 142 of the Internal Revenue Code of 1986 (relating to exempt facility bond) is amended by striking ‘‘or’’ at the end of paragraph (13). In the event of a performance shortfall, the loan guarantee fund may be used to pay senior debt or make fixes to increase output or efficiency.

(ii) QUALIFIED CELLULOSE BIOMASS-TO-FUEL FACILITIES.—Subsection (a) of such Code is amended by adding at the end the following:

‘‘(15) qualified cellulosic biomass-to-fuel facilities.’’

(iii) QUALIFIED CELLULOSE BIOMASS-TO-FUEL FACILITIES.—(1) IN GENERAL.—For purposes of section (a)(15), the term ‘‘qualified cellulosic biomass-to-fuel facilities’’ includes any cellulosic biomass-to-fuel project approved by the Secretary under section 1512 of the Energy Policy Act of 2005.

(2) NATIONAL LIMITATION ON AMOUNT OF TAX-EXEMPT FINANCING FOR FACILITIES.—(A) NATIONAL LIMITATION.—There is a national limitation on the aggregate amount of all such incentives available to all such facilities under section 1512(b)(1)(C) of such Act for such calendar year.

(B) ENFORCEMENT OF NATIONAL LIMITATION.—An issue shall not be treated as an issue described in subsection (a)(15) if the aggregate face amount of bonds issued for any calendar year (when added to the aggregate face amount of bonds previously issued as part of issues described in subsection (a)(15) for such calendar year) exceeds the national cellulosic biomass-to-fuel facilities bond limitation for such calendar year.

(C) ALLOCATION BY SECRETARY OF ENERGY.—The Secretary of Energy, in consultation with the Secretary, shall allocate the amount described in subparagraph (A) among cellulosic biomass-to-fuel projects in such manner as the Secretary determines appropriate.

(3) EFFECTIVE DATE.—The amendments made by this subparagraph apply to bonds issued after the date of the enactment of this Act.

**4) CELLULOSIC BIOMASS FUELS PERFORMANCE INCENTIVES PROGRAM.**

(A) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to make available to commercial scale cellulosic biomass-to-fuel producers performance incentives on a per gallon basis of cellulosic biomass-to-fuel from eligible facilities.

(B) INCENTIVES.—(i) IN GENERAL.—The program established under subparagraph (A) shall consist of 2 phases.

(ii) FIRST PHASE.—

(I) IN GENERAL.—During the period that begins on the date of establishment of the program under this paragraph and ends on the date that is 6 years after the date of establishment of the program, performance payments shall be available to all projects participating in the program, subject to the limit established in paragraph (m)(ii)(B).

(II) PAYMENTS.—During the period described in subclause (I), payments shall be determined in proportion of the amount described in subparagraph (A) among the eligible facilities.

(iii) SECOND PHASE.—

(I) IN GENERAL.—During the period that begins on the date that is 7 years after the date of establishment of the program under this paragraph and ends on the date that is 10 years after the date of establishment of the program, performance incentives shall be made available through not less than 2 reverse auctions as described in subclauses (II) through (V).

**E) ENFORCEMENT OF FUNDING.**

The Secretary, in coordination with the Secretary of the Treasury, shall establish the amount of funds available for use as performance payments after taking into account other existing and expected liabilities under this subsection.

**III) DESIRED AMOUNT.—** For each reverse auction conducted under this clause, each eligible facility shall request a desired amount of performance incentive on a per gallon basis.

**IV) SELECTION OF FACILITIES.** The Secretary shall select facilities beginning with the facility that requests the lowest amount of performance incentive on a per gallon basis, continuing until the funds available under subclause (II) for the reverse auction are committed.
(V) INCENTIVES RECEIVED.—A facility selected by the Secretary shall receive the amount of performance incentive requested by the facility in the application for each gallon produced and sold by the facility during the first 6 years of operation.

(C) LIMITATIONS.—

(1) IN GENERAL.—In addition to the overall limitation established in paragraph (1)(C)(ii), the value of incentives paid under this subsection for projects that are begun not later than 4 years after the date of establishment of the facility under this paragraph shall be limited to the lesser of—

(II) $1,000,000 per million gallons of capacity; or

(III) 40 percent of the total capacity cost of the project.

(2) INCLUSION.—The Secretary shall establish a schedule of limitations that decrease throughout the period that begins on the date that is 4 years after the date of establishment of the program under this paragraph and ends on the date that is 10 years after the date of establishment of the program.

SEC. 154. NEAR-TERM VEHICLE TECHNOLOGY PROGRAM.

(a) PURPOSES.—The purposes of this section are—

(1) to enable and promote comprehensive development, demonstration, and commercialization of a wide range of electric drive components, systems, and vehicles;

(A) in partnership with industry; and

(B) for a wide range of electric drive components, systems, and vehicles in a wide range of applications using diverse electric drive transportation technologies;

(2) to make public critical investments in building strong links to private industry, in institutions of higher education, National Laboratories, and research institutions to expand innovation, industrial growth, and jobs in the United States;

(3) to take greater advantage of the existing electric infrastructure for transportation and other on-road and non-road mobile sources of energy;

(A) that are reported to be over 3,000,000 units today, including electric forklifts, golf carts, and similar non-road vehicles; and

(B) because existing and emerging technologies can connect to the grid and enhance the energy security of the United States, reduce dependence on imported oil, and reduce emissions; and

(4) to more quickly advance the widespread commercialization of all types of hybrid electric vehicle technology into all sizes and applications of vehicles leading to commercialization of plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and eventually to fuel cell vehicles and use of batteries and electric vehicles to provide services back to the grid; and

(5) to improve the energy efficiency of and reduce the petroleum use of transportation.

(b) PROGRAM.—The program established under this section—

(1) BATTERY.—The term "batteries" means an energy story device used in an on-road or non-road vehicle powered in whole or in part using an off-board or on-board source of electricity.

(2) ELECTRIC DRIVE TRANSPORTATION TECHNOLOGY.—The term "electric drive transportation technology" means—

(A) on-road or non-road vehicles that use an electric motor to replace an internal combustion engine for all or part of the work of the equipment, including corded electric equipment linked to transportation or mobile source applications; or

(B) equipment related to transportation or mobile sources of air pollution that use an electric motor to replace an internal combustion engine for all or part of the work of the equipment, including corded electric equipment linked to transportation or mobile source applications.

(3) ENGINE DOMINANT HYBRID ELECTRIC VEHICLE.—The term "engine dominant hybrid electric vehicle" means an on-road or non-road vehicle propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel; or

(B) an on-board, rechargeable storage device; and

(C) no means of using an off-board source of electricity.

(4) FUEL CELL VEHICLE.—The term "fuel cell vehicle" means an on-road or non-road vehicle that uses a fuel cell (as defined in section 3 of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1999).

(5) ON-ROAD OR NON-ROAD VEHICLE.—The term "on-road or non-road vehicle" means—

(A) a light-duty, medium-duty, or heavy-duty motor vehicle; or

(B) a vehicle or propelled piece of equipment that is primarily intended for use on private property or public property other than public highways, freeways, streets, and roads.

(6) PLUG-IN HYBRID ELECTRIC VEHICLE.—The term "plug-in hybrid electric vehicle" means an on-road or non-road vehicle that is propelled by an internal combustion engine or heat engine using—

(A) any combustible fuel; or

(B) an on-board, rechargeable storage device; and

(C) a means of using an off-board source of electricity.

(7) PLUG-IN HYBRID FUEL CELL VEHICLE.—The term "plug-in hybrid fuel cell vehicle" means an on-road or non-road vehicle that is propelled by a fuel cell system in which an electric battery supplied by an off-board source of electricity.

(c) PROGRAM.—The Secretary shall conduct a program of research, development, demonstration, and commercial application for electric drive transportation technology, including—

(1) high capacity, high efficiency lithium nickel metal hybrid batteries for plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles;

(2) high efficiency on-board and off-board charging components;

(3) high power drive train systems for passenger and commercial vehicles and for non-road equipment;

(4) control system development and power train development and integration for plug-in hybrid electric vehicles, plug-in hybrid fuel cell vehicles, and engine dominant hybrid electric vehicles, including—

(A) development of efficient cooling systems;

(B) analysis and development of control systems that minimize the emissions profile when clean diesel engines are part of a plug-in hybrid drive system;

(C) development of different control systems that optimize for different goals, including—

(i) battery life;

(ii) reduction of petroleum consumption;

(iii) green house gas reduction; and

(iv) understanding consumer preference for many different cooling systems for both battery and fuel cell systems;

(5) nanomaterial technology applied to batteries and fuel cell systems;

(6) large-scale demonstrations, testing, and evaluation of plug-in hybrid electric vehicles in different applications with different battery and fuel cell systems, including—

(A) military applications; and

(B) paratransit applications; and

(C) mass market passenger and light-duty truck applications; and

(D) private fleet applications; and

(E) medium- and heavy-duty applications; and

(7) national grid integration strategy for electric drive transportation technologies providing secondary and high school teaching materials and support for university education and training.

(8) introduction strategies for plug-in hybrid electric vehicles and plug-in hybrid fuel cell vehicles, including—

(A) examining how best to link the technology to low carbon or renewable energy; and

(B) an improved understanding of potential market penetration, driving patterns, charging behavior, and consumer acceptance and benefits; and

(C) working with the Administrator of the Environmental Protection Agency to develop procedures for testing and certification of criteria pollutants, fuel economy, and petroleum use for light-, medium- and heavy-duty vehicle applications, including considering—

(i) the vehicle and fuel as a system, not just an engine; and

(ii) nightly off-board charging; and

(9) advancement of battery and corded electric transportation technologies in mobile source applications by—

(A) improving battery, drive train, and control system technologies; and

(B) working with industry and the Administrator of the Environmental Protection Agency to—

(1) understand and inventory markets; and

(2) identify and implement methods of removing barriers for existing and emerging applications.

(d) GOALS.—The goals of the electric drive transportation technology program established under subsection (c) shall be to develop partnerships with private and institutions of higher education, projects that focus on—

(1) innovative electric drive technology developed in the United States;

(2) growth of job opportunities for electric drive design and manufacturing;

(3) validation of the plug-in hybrid potential through fleet demonstrations; and

(4) enabling the fuel cell revolution by establishing a mature electric drive technology system that is an integral part of the fuel cell vehicle system.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are appropriated to be appropriated such sums as are necessary to carry out this section.

SEC. 155. TIRE EFFICIENCY PROGRAM.

(a) STANDARDS FOR TIRES MANUFACTURED FOR INTERSTATE COMMERCE.—Section 30123 of title 49, United States Code, is amended—

(1) in subsection (b)—

(A) in the first sentence, by striking "The Secretary" and inserting the following:

"(A) UNIFORM QUALITY GRADING SYSTEM."

(B) in the second sentence, by striking "The Secretary" and inserting the following:

"(B) INCLUSION."

(C) in the third sentence, by striking "A tire standard" and inserting the following:

"(C) EMITTANCE OF STANDARDS AND REGULATIONS."

(D) in paragraph (1), as designated by subparagraph (A), by adding at the end the following:

"(D) NATIONAL TIRE EFFICIENCY PROGRAM.—"
SEC. 301. Purpose and policy.
33002. Definitions.

"The purpose of this chapter is to reduce petroleum consumption by heavy duty motor vehicles.

"33002. Definitions.

"In this chapter, 'heavy duty motor vehicle'—

"(1) means a vehicle of greater than 10,000 pounds gross vehicle weight that is driven or drawn by mechanical power and manufactured primarily for use on public streets, roads, and highways; and

"(2) does not include a vehicle operated only on a rail line.

"§33003. Standards.

"(a) General requirements. —The Secretary of Transportation shall prescribe heavy duty motor vehicle fuel economy standards. Each standard shall be practicable, meet the need for heavy duty motor vehicle fuel consumption reduction, and be stated in objective terms.

"(b) Considerations and consultation. —When prescribing a heavy duty motor vehicle fuel economy standard under this chapter, the Secretary shall—

"(1) consider relevant available heavy duty motor vehicle fuel consumption information;

"(2) consider whether a proposed standard is reasonable, practicable, and appropriate for the particular type of heavy duty motor vehicle for which it is prescribed; and

"(3) consider the extent to which the standard will carry out section 33001.

"(c) Cooperation. —The Secretary may advise, assist, and cooperate with departments, agencies, and instrumentalities of the United States Government, States, and other public agencies in developing fuel economy standards for heavy duty motor vehicles.

"(d) Effective dates of standards. —The Secretary shall prescribe the effective date and model years of a heavy duty motor vehicle fuel economy standard prescribed under this chapter.

"(e) 5-year plan for testing standards. —The Secretary shall establish, periodically review, and continually update a 5-year plan for testing heavy duty motor vehicle fuel economy standards prescribed under this chapter. In developing the plan and establishing testing priorities, the Secretary shall consider factors the Secretary considers appropriate, consistent with section 33001 and the Secretary’s other duties and powers under this chapter.

"§315. Flexible fuel vehicle standards.

"(a) Definitions. —In this section—

"(1) alternative fuel; alternative fuel automobile. —The terms "alternative fuel" and "alternative fuel automobile" have the meanings given such terms in section 32001 of title 49, United States Code.

"(2) alternative fuel refueling retail outlet. —The term "alternative fuel refueling retail outlet" means an establishment—

"(A) equipped to dispense alternative fuel into motor vehicles; and

"(B) at which alternative fuel is sold or offered for sale to the general public for use in motor vehicles without the need to establish an account.

"(b) Conforming amendment. —Section 30103(b)(1) of title 49, United States Code, is amended by inserting after subheading (1) the following:

""Except as provided in section 30123(d), when"".
(3) FLEXIBLE FUEL VEHICLES.—The term “flexible fuel vehicle” means an alternative fuel vehicle capable of using gasoline and 1 or more alternative fuels, including—
   (A) ethanol and methanol in blends up to 85 percent alternative fuel by volume; and
   (B) electricity from an external charging source and capable of driving the vehicle for at least 20 miles of driving.

(4) OWNER OR LESSOR.—The term “owner or lessor” means—
   (A) a franchisor who owns, leases, or controls a retail gasoline outlet at which the franchisee is authorized or permitted, under the franchise agreement, to sell alternative fuel;
   (B) a refiner or distributor who owns, leases, or controls a retail gasoline outlet;
   (c) INCREASING PERCENTAGE OF LIGHT DUTY VEHICLES THAT ARE ALTERNATIVE OR FLEXIBLE FUEL VEHICLES.—
   (1) IN GENERAL.—Of the new light duty vehicles sold in the United States—
      (A) not less than 10 percent manufactured for model year 2009 shall be alternative fuel automobiles or flexible fuel vehicles;
      (B) not less than 20 percent manufactured for model year 2010 shall be alternative fuel automobiles or flexible fuel vehicles;
      (C) not less than 35 percent manufactured for model year 2011 shall be alternative fuel automobiles or flexible fuel vehicles;
      (D) not less than 50 percent manufactured for model year 2012, and each year thereafter, shall be alternative fuel automobiles or flexible fuel vehicles.
   (2) RULEMAKING.—Not later than 1 year after the date of enactment of this Act, the Secretary of Transportation shall issue regulations to carry out the provisions of this subsection.
   (c) ALTERNATIVE FUEL RETAIL OUTLETS.—
   (1) REQUIREMENT.—Beginning in the year in which 10 percent or more of the registered vehicles in the United States are alternative fuel or electricity capable vehicles, a franchisor who owns, leases, or controls a retail gasoline outlet with 10 or more vehicle fuel pumps in that county shall offer such alternative fuel or electricity capable vehicle fuel pumps at not less than 10 percent of such pumps.
   (2) COMPLIANCE.—An owner or lessor is in compliance with the requirement under paragraph (1) if the owner or lessor—
      (A) provides alternative fuel at vehicle fuel pumps owned or controlled by the owner or lessor;
      (B) notifies owners and lessors with retail gasoline outlets in the counties identified in subparagraph (A) of the alternative fuel pump requirement under this subsection;
   (3) PROJECTIONS.—Not later than July 1st of each year, the Secretary of Energy shall—
      (A) identify the counties in which at least 10 percent of the registered vehicles are expected to be capable of using a designated alternative fuel within the following 18-month period; and
      (B) notify owners and lessors with retail gasoline outlets in the counties identified under subparagraph (A) of the alternative fuel pump requirement under this subsection.
   (4) RULEMAKING.—The Secretary of Energy shall issue regulations to carry out the provisions of this subsection.

SEC. 159. OIL SAVINGS STUDIES.
(a) IN GENERAL.—The Secretary of Energy shall develop and implement pilot projects the purpose of which is to reduce vehicle miles traveled.
(b) HIGHWAY CONGESTION TOLLING EVALUATION STUDY.—The Secretary of Transportation shall carry out a national evaluation study to determine how technology can best be applied to assess—
   (1) mileage-based road user charges on major highways at peak-commuting times for the purposes of—
      (A) reducing oil usage;
      (B) lessening traffic congestion; and
      (C) expanding travel alternatives; and
   (2) the economic impact on users.
   (c) PARKING CASH-OUT EVALUATION PROJECT.—The Secretary of Transportation shall carry out a national evaluation pilot project to assess how offering commuters the option to receive the cash value of their workplace parking place instead of free parking can—
      (1) reduce oil usage;
      (2) lessen highway congestion; and
      (3) promote economic development.
   (d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2015.

SEC. 159A. NATIONALWIDE MEDIA CAMPAIGN TO DECREASE OIL CONSUMPTION. 
(a) IN GENERAL.—The Secretary of Energy, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the “Secretary”), shall develop, including a national media campaign for the purpose of decreasing oil consumption in the United States over the long term.
(b) CONTRACT WITH ENTITY.—The Secretary shall carry out subsection (a) directly or through—
   (1) contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements; or
   (2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements.
   (c) USE OF FUNDS.—
      (1) IN GENERAL.—Amounts made available to carry out this section shall be used for the following:
         (A) ADVERTISING COSTS.—
            (i) The purchase of media time and space.
            (ii) Creative and talent costs.
            (iii) Testing and evaluation of advertising.
            (iv) Evaluation of the effectiveness of the media campaign.
            (v) The negotiated fees for the winning bidder on requests from proposals issued either by the Secretary or for purposes otherwise authorized in this section.
         (B) ENTERTAINMENT INDUSTRY OUTREACH.
         (C) PARKING CASH-OUT EVALUATION PROJECT.
         (D) NATIONAL MEDIA CAMPAIGN.
   (2) IN GENERAL.—Beginning 18 months after the date of enactment of this Act, the Secretary shall, in consultation with the jurisdiction of the Secretary of Transportation, the Attorney General, and other appropriate Federal agencies, establish standards or other requirements to be included in the action plan that is under the jurisdiction of the Secretary.

SEC. 159B. OIL SAVINGS TARGET AND ACTION PLAN.
Not later than 270 days after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this section as the “Director”) shall publish in the Federal Register an action plan consisting of—
   (1) a list of requirements proposed pursuant to section 159C that are authorized to be issued under law in effect on the date of enactment of this Act, and that, when taken together, will achieve the oil savings specified in this section.
   (2) Steps taken to ensure that the national media campaign and the campaign were accomplished, including—
      (I) the negotiated fees for the winning bidder on requests from proposals issued either by the Secretary or for purposes otherwise authorized in this section.
      (II) The negotiated fees for the winning bidder on requests from proposals issued either by the Secretary or for purposes otherwise authorized in this section.
      (III) The purchase of media time and space.
      (IV) Creative and talent costs.
      (V) Evaluation of the effectiveness of the media campaign.
      (VI) Entertainment industry outreach.
      (VII) Interactive outreach, media projects and activities, public information, news media outreach, and corporate sponsorship and participation.
      (VIII) Administrative costs.
      (IX) Final Regulations.
   (b) CONTRACT WITH ENTITY.—The Secretary shall carry out this section $100,000,000 for each of fiscal years 2006 through 2010.

SEC. 159C. STANDARDS AND REQUIREMENTS.
(a) SECRETARY OF ENERGY.—On or before the date of publication of the action plan under section 159B, the Secretary shall propose regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the Secretary.
(b) SECRETARY OF TRANSPORTATION.—On or before the date of publication of the action plan under section 159B, the Secretary of Transportation shall propose regulations establishing each standard or other requirement listed in the action plan that is under the jurisdiction of the Administrator.
(c) PARKING CASH-OUT EVALUATION PROJECT.—Not later than 18 months after the date of enactment of this Act, the Secretary, the Secretary of Transportation, and the Administrator shall publish in the Federal Register an action plan that is under the jurisdiction of the Administrator.
(d) FINAL REGULATIONS.—Not later than 18 months after the date of enactment of this Act, the Secretary, the Secretary of Transportation, and the Administrator shall provide the public with an opportunity for public comment and include such comments in the final, regulatory action that is under the jurisdiction of the Administrator.

SEC. 159D. INITIAL EVALUATION.
(a) IN GENERAL.—Not later than 2 years after the date of enactment of this Act, the Director of the Office of Management and Budget (referred to in this section as the “Director”) shall publish in the Federal Register a Federal Government-wide analysis of regulations that are—
   (I) required by law in effect on the date of enactment of this Act.
   (II) proposed or finalized by an agency as a result of the Oil Savings Target and Action Plan.
and by inserting after subsection (n) the following new subsection:

"(o) CLARIFICATION OF ECONOMIC SUBSTANCE DOCTRINE, ETC.—

(1) GENERAL RULES.—

(A) IN GENERAL.—In any case in which a court determines that the economic substance doctrine is relevant for purposes of this title to the extent that it respects the form of a transaction (or series of transactions), such transaction (or series of transactions) shall have economic substance only if the requirements of this paragraph are met.

(B) DEFINITION OF ECONOMIC SUBSTANCE.—For purposes of subparagraph (A)—

(i) In general.—A transaction has economic substance only if—

(I) the transaction changes in a meaningful way (apart from Federal tax effects) the taxpayer's economic position, and

(II) the taxpayer has a substantial nontax purpose for entering into such transaction and the transaction is a reasonable means of accomplishing such purpose.

In applying subparagraph (II), a purpose of achieving a financial accounting benefit shall not be taken into account in determining whether a transaction has a substantial nontax purpose if the origin of such financial accounting benefit is a reduction of income tax.

(ii) Special rule where taxpayer relies on profit potential.—A transaction shall not be treated as having economic substance by reason of having of having profit potential unless—

(I) the present value of the reasonably expected pre-tax profit from the transaction is substantial in relation to the present value of the expected net tax benefits that would be allowed if the transaction were respected, and

(II) the reasonably expected pre-tax profit from the transaction exceeds a risk-free rate of return.

(iii) Treatment of fees and foreign taxes.—Fees and other transaction expenses and foreign taxes shall be taken into account as expenses in determining pre-tax profit under subparagraph (B)(ii).

(2) SPECIAL RULES FOR TRANSACTIONS WITH TAX-INDIFFERENT PARTIES.—The form of a transaction which is in substance the borrowing of money or the acquisition of financial capital directly or indirectly from a tax-indifferent party shall not be respected if the present value of the deductions to be claimed with respect to the transaction is substantially in excess of the present value of the anticipated use of the borrowed money or the financial capital. A public offering shall be treated as a borrowing, or an acquisition of financial capital, from a tax-indifferent party if it is reasonably expected that at least 50 percent of the offering will be placed with tax-indifferent parties.

(B) ARTIFICIAL INCOME SHIFTING AND BASIS ADJUSTMENTS.—The form of a transaction with a tax-indifferent party shall not be respected if—

(i) it results in an allocation of income or gain to the tax indifferent party in excess of such party's economic income or gain, or

(ii) it results in a basis adjustment or shifting of any basis on account of overstating the income or gain of the tax indifferent party.

(3) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

(A) ECONOMIC SUBSTANCE DOCTRINE.—The term 'economic substance doctrine' means the common law doctrine under which tax benefits under subtitle A with respect to a transaction are not respected if the transaction does not have economic substance or lacks a business purpose.

(B) TAX-INDIFFERENT PARTY.—The term 'tax-inifferent party' means any person or entity not subject to tax imposed by subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

(2) Treatment of lessors.—In applying paragraph (1)(B)(ii) to the lessor of tangible property subject to a lease—

(i) the expected net tax benefits with respect to the leased property shall not include the benefits of—

(I) depreciation, or

(II) any tax credit, or

any other deduction as provided in guidance by the Secretary, and

(ii) clause (II) of paragraph (1)(B)(ii) shall be disregarded in determining whether any of such benefits are allowable.

(3) OTHER COMMON LAW DOCTRINES NOT AFFECTED.—As specifically provided in this subsection, the provisions of this subsection shall not be construed as altering or supplanting any other rule of law, and the requirement of this subsection shall be construed as being subject to any other rule of law.

(4) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this subsection. Such regulations may include exemptions from the application of this subsection.

SEC. 552. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

(a) IN GENERAL.—Subchapter A of chapter 68 is amended by inserting after section 6662A the following new section:

SEC. 6662B. PENALTY FOR UNDERSTATEMENTS ATTRIBUTABLE TO TRANSACTIONS LACKING ECONOMIC SUBSTANCE, ETC.

"(a) AMOUNT OF PENALTY.—If a taxpayer has an noneconomic substance transaction understatement for any taxable year, there shall be added to the tax an amount equal to 60 percent of the amount of such understatement.

(b) REDUCTION OF PENALTY FOR DISCLOSED TRANSACTIONS.—Subsection (a) shall be applied by substituting '30 percent' for '40 percent' with respect to the portion of any noneconomic substance transaction understatement with respect to which the Secretary determines that the tax treatment of the item are adequately disclosed in the return or a statement attached to the return.

(c) NONECONOMIC SUBSTANCE TRANSACTION UNDERSTATEMENT.—For purposes of this section—

(1) IN GENERAL.—The term 'noneconomic substance transaction understatement' means any amount which would be an understatement under section 6662A(b)(1) if section 6662A were applied by taking into account items attributable to noneconomic substance transactions rather than items to which section 6662A would apply without regard to this paragraph.

(2) NONECONOMIC SUBSTANCE TRANSACTION.—The term 'noneconomic substance transaction' means any transaction if—

(A) there is a lack of economic substance (within the meaning of section 7701 (0)(1)) for the transaction giving rise to the claimed benefit or the transaction was not respected under section 7701 (0)(2), or

(B) the transaction fails to meet the requirements of any similar rule of law.

(d) RULES APPLICABLE TO COMPROMISE OF PENALTY.—

(1) IN GENERAL.—If the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal..."
Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty imposable under this section.

(2) APPLICABLE RULES.—The rules of paragraphs (2) and (3) of section 6707A(d) shall apply for purposes of paragraph (1).

(a) Coordination With Other Understatement and Penalty Provisions.—

(1) For coordination of penalty with understatement under section 6662 and other special rules, section 6662B is amended—

(A) by striking subparagraph (B) and inserting—

"(B) by inserting "AND NONECONOMIC SUBSTANCE TRANSACTIONS" in the heading thereof after "TRANSACTIONS";"

(b) Effective Date.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act in taxable years ending after such date.

SA 959. Mr. ROCKEFELLER (for himself, Mr. Bunning, and Mr. Byrd) submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy, which was ordered to lie on the table; as follows:

On page 35 of (title XV as agreed to), strike lines 9 through 16, and insert the following:

"(A) Application Period.—Each applicant for certification under this paragraph shall submit an application meeting the requirements of subparagraph (B). An applicant may submit an application during the 5-year period beginning on the date the Secretary establishes the program under paragraph (1).

(3) Subsection (e) of section 6707A is amended—

(A) by striking subparagraph (C) and inserting—

"(C) the project, consisting of one or more renewable energy units at one site, will have a total nameplate generating capacity of at least 400 megawatts;"

(b) Effective Date.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act in taxable years ending after such date.

SA 960. Mr. ROCKEFELLER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy, which was ordered to lie on the table; as follows:

On page 38 of (title XV as agreed to), beginning with line 13 strike all through page 39, line 25, and insert the following:

"(C) The project, consisting of one or more renewable energy units at one site, will have a total nameplate generating capacity of at least 400 megawatts;"

(d) The applicant demonstrates that there is evidence of ownership or control of a site of sufficient size to allow the proposed project to be constructed and to operate on a long-term basis; and

(F) the project will be located in the United States.

SEC. 5333. DENIAL OF DEDUCTION FOR INTEREST ON UNDERPAYMENTS ATTRIBUTABLE TO NONECONOMIC SUBSTANCE TRANSACTIONS.

(a) IN GENERAL.—Section 163(m) (relating to interest on unpaid taxes attributable to nondisclosed reportable transactions) is amended—

(1) by striking "attributable to" and all that follows and inserting the following: "attributable to—";
(A) hydroelectric facilities installed at existing dams subject to all applicable environmental laws and licensing and regulatory requirements that are placed in service on or after the date of enactment of this Act; or
(B) increased efficiency or addition of new capacity at a hydroelectric project in existence on the date of enactment of this Act.

SA 961. Mr. ALEXANDER (for himself, Mr. WARNER, Ms. LANDRIEU, Mr. MCCAIN, Mr. ALLEN, Mr. Voinovich, Mr. Brownback, Mr. Burr, and Mr. Bunning) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 697, between lines 6 and 7, insert the following:

SEC. 1270A. LOCAL CONTROL FOR SITING OF WINDMILLS.

(a) LOCAL NOTIFICATION.—Prior to the Federal Energy Regulatory Commission issuing to any wind turbine project its Exempt-Wholesale Generator Status, Market-Based Rate Authority, or Qualified Facility rate schedule, the wind project shall complete its Local Notification Process.

(b) LOCAL NOTIFICATION PROCESS.—

(1) In this section, the term ‘Local Authority’ means the governing body, and the senior executive of the body, at the lowest level of government that possesses authority under State law to carry out this Act.

(2) Applicant shall notify in writing the Local Authorities on the day of the filing of such Market-Based Rate application or Federal Energy Regulatory Commission Form number 556 (or a successor form) at the Federal Energy Regulatory Commission. Evidence of such notification shall be submitted to the Federal Energy Regulatory Commission.

(3) The Federal Energy Regulatory Commission shall notify in writing the Local Authorities within 10 days of the filing of such Market-Based Rate application or Federal Energy Regulatory Commission Form number 556 (or a successor form) at the Federal Energy Regulatory Commission.

(4) The Federal Energy Regulatory Commission shall not issue to the project Market-Based Rate Authority, Exempt-Wholesale Generator Status, or Qualified Facility rate schedule 30 days after the date on which the Federal Energy Regulatory Commission notifies the Local Authorities under paragraph (3).

(c) HIGHLY SCENIC AREA AND FEDERAL LAND.

(1)(A) A Highly Scenic Area is—

(i) any coastal wildlife refuge located in the State of Louisiana; or
(ii) any area in the State of Alaska.

(2) A Qualified Wind Project is any wind-turbine project that—

(A)(i) in a Highly Scenic Area; or
(B) within 20 miles of the boundaries of an area described in subparagraph (A), (B), (C), (D), or (F) of paragraph (1); or
(C) within 20 miles off the coast of a National Wildlife Refuge that is adjacent to an ocean.

(3) Prior to the Federal Energy Regulatory Commission issuing to a Qualified Wind Project its Exempt-Wholesale Generator Status, Market-Based Rate Authority, or Qualified Facility rate schedule, an environmental impact statement shall be conducted and completed by the lead agency in accordance with the National Environmental Policy Act of 1969 (42 U.S.C. 3691 et seq.). If no lead agency is designated, the lead agency shall be the Department of the Interior.

(4) The environmental impact statement determination shall be issued within 12 months of the date of application.

(5) Such environmental impact statement review shall include a cumulative impacts analysis and an analysis to address the potential impact and mortality analysis of a Qualified Wind Project.

(6) A Qualified Wind Project shall not be eligible for any Federal tax subsidy.

(7) EFFECTIVE DATE.—

(1) This section shall expire 10 years after the date of enactment of this Act.

(2) Nothing in this section shall prevent or discourage environmental review of any wind projects or any Qualified Wind Project on a State or local level.

(d) EFFECTIVE DATE.—

(1) Prior to the Federal Energy Regulatory Commission issuing to a project a notice of qualification for a Project that, as of January 1, 2005 in order to

SA 962. Mr. JEFFORDS submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

On page 724, line 12, insert before ‘shall enter’ the following: ‘‘; in consultation with the Administrator of the Environmental Protection Agency’’.

SA 963. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

1. On page 14, strike Lines 1 through 11 and insert

SA 964. Mr. CORZINE submitted an amendment intended to be proposed by

him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

Page 7, line 14, after ‘‘Governor’’ strike ‘‘may’’ and insert ‘‘must have the consent of every Governor and State Legislature with a coast that is under the OCS moratoria as of January 1, 2005 in order to’’

SA 965. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

1. On page 14, strike Lines 1 through 17

SA 966. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

1. On page 14, strike Lines 4 through 17

SA 967. Mr. CORZINE submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

1. On page 14, strike Lines 1 through 11 and insert ‘‘all such funds, to states and to local political subdivisions, shall only be expendable for mitigation measures and environmental restoration projects, subject to NEPA review, that specifically repair the adverse impacts of offshore and onshore facilities and operations associated with offshore oil and gas leasing, exploration, and development activities’’

SA 968. Mr. ROCKEFELLER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 450. CREDIT FOR CAPTURING COALMINE GAS.

(a) GENERAL RULE.—For purposes of section 38, the coalmine gas capture credit for any taxable year is an amount equal to the product of—

(1) the credit amount, and
(2) the qualified coalmine gas captured which is attributable to the taxpayer.

(b) CREDIT AMOUNT.—For purposes of this section, the credit amount is $0.517 per 1,000 cubic feet of qualified coalmine gas captured.

(c) QUALIFIED COALMINE GAS CAPTURED.—

(1) In general.—The term ‘qualified coalmine gas captured’ means any coalmine gas which is—

(a) captured or extracted by the taxpayer during the period beginning after September 30, 2005, and ending before January 1, 2008, and
(b) utilized as a fuel source or sold by or on behalf of the taxpayer to an unrelated person during such period.
“(2) Special rule for advanced extraction.—In the case of coalmine gas which is captured in advance of coal mining operations, the credit under subsection (a) shall be allowed after the date the coal extraction occurs in the immediate area where the coalmine gas was removed.

“(3) Noncompliance with pollution laws.—This paragraph shall not apply to the capture or extraction of coalmine gas from coal mining operations with respect to any period in which such coal mining operations are not in compliance with applicable State and Federal pollution prevention, control, and permit requirements.

“(4) Definitions.—

(A) COALMINE GAS.—For purposes of this paragraph, the term ‘coalmine gas’ means any methane gas which is—

(i) liberated during or as a result of domestic coal mining—operations, or

(ii) extracted up to 10 years in advance of domestic coal mining—operations as part of a specific plan to mine a coal—deposit.

(b) Credit treated as part of general business credit.—Section 38(b) of the Internal Revenue Code of 1986, as amended by this Act, is amended by striking ‘‘plus’’ at the end of paragraph (24), by striking the period at the end of paragraph (24) and inserting ‘‘plus’’, and by adding at the end the following new paragraph:

‘‘(25) the coalmine gas capture credit determined under section 45O.’’

(c) Amendments.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code, as amended by this Act, is amended by inserting after section 45N the following:

‘‘Sec. 450. Credit for capturing coalmine gas.’’

(d) Effective date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SA 969. Mr. ROCKEFELLER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 450. CREDIT FOR CAPTURING COALMINE GAS.

‘‘(a) In General.—In subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business credits), as amended by this Act, is amended by adding at the end the following new section:

‘‘Sec. 450. Credit for capturing coalmine gas.

‘‘(a) General rule.—For purposes of section 38, the coalmine gas capture credit for any taxable year is an amount equal to the product of—

(1) the credit amount, and

(2) the qualified coalmine gas captured.

‘‘(b) Credit amount.—For purposes of this section, the credit amount is $0.517 per 1,000 cubic feet of qualified coalmine gas captured.

‘‘(c) Qualification of coalmine gas captured.—For purposes of this section—

(1) In general.—The term ‘qualified coalmine gas captured’ means any coalmine gas which is—

(A) captured or extracted by the taxpayer during the period—beginning after September 30, 2005, and ending before January 1, 2008; and

(B) utilized as a fuel source or sold by or on behalf of the taxpayer—to an unrelated person during such period.

‘‘(2) Special rule for advanced extraction.—In the case of coalmine gas which is captured in advance of coal mining operations, the credit under subsection (a) shall be allowed after the date the coal extraction occurs in the immediate area where the coalmine gas was removed.

‘‘(3) Noncompliance with pollution laws.—This paragraph shall not apply to the capture or extraction of coalmine gas from coal mining operations with respect to any period in which such coal mining operations are not in compliance with applicable State and Federal pollution prevention, control, and permit requirements.

‘‘(4) Definitions.—

(A) COALMINE GAS.—For purposes of this paragraph, the term ‘coalmine gas’ means any methane gas which is—

(i) liberated during or as a result of domestic coal mining—operations, or

(ii) extracted up to 10 years in advance of domestic coal mining—operations as part of a specific plan to mine a coal—deposit.

(b) Credit treated as part of general business credit.—Section 38(b) of the Internal Revenue Code of 1986, as amended by this Act, is amended by striking ‘‘plus’’ at the end of paragraph (24), by striking the period at the end of paragraph (24) and inserting ‘‘plus’’, and by adding at the end the following new paragraph:

‘‘(25) the coalmine gas capture credit determined under section 45O.’’

(c) Amendments.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code, as amended by this Act, is amended by inserting after section 45N the following:

‘‘Sec. 450. Credit for capturing coalmine gas.

‘‘(a) General rule.—For purposes of section 38, the coalmine gas capture credit for any taxable year is an amount equal to the product of—

(1) the credit amount, and

(2) the qualified coalmine gas captured which is attributable to the taxpayer.

(b) Credit amount.—For purposes of this section, the credit amount is $0.517 per 1,000 cubic feet of qualified coalmine gas captured.

(d) Effective date.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SA 970. Mr. ROCKEFELLER submitted an amendment intended to be proposed by him to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 450. CREDIT FOR CAPTURING COALMINE GAS.

‘‘(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business credits), as amended by this Act, is amended by inserting after section 45N the following:

‘‘Sec. 450. Credit for capturing coalmine gas.

‘‘(a) General rule.—For purposes of section 38, the coalmine gas capture credit for any taxable year is an amount equal to the product of—

(1) the credit amount, and

(2) the qualified coalmine gas captured which is attributable to the taxpayer.

(b) Credit amount.—For purposes of this section, the credit amount is $0.517 per 1,000 cubic feet of qualified coalmine gas captured.

(c) Qualified coalmine gas captured.—For purposes of this section—

(1) in general.—The term ‘qualified coalmine gas captured’ means any coalmine gas which is—

(A) captured or extracted by the taxpayer during the period—beginning after September 30, 2005, and ending before January 1, 2008; and

(B) utilized as a fuel source or sold by or on behalf of the taxpayer—to an unrelated person during such period.

(2) special rule for advanced extraction.—In the case of coalmine gas which is
captured in advance of coal mining operations, the credit under subsection (a) shall be allowed only after the date the coal extraction occurs in the immediate area where the coalmine areas are located.

“(3) NONCOMPLIANCE WITH POLLUTION LAWS.—This paragraph shall not apply to the capture or extraction of coalmine gas from coal mining operations with respect to any period in which such coal mining operations are not in compliance with applicable State and Federal pollution prevention, control, and permit requirements.

“(4) DEFINITIONS.—

“(A) COALMINE GAS.—For purposes of this paragraph, the term ‘coalmine gas’ means any gas which:(i) liberated during or as a result of domestic coal mining—operations, or(ii) extracted up to 10 years in advance of domestic coal—mining operations as part of a specific plan to mine a coal deposit.

(b) CREDIT TREATED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986, as amended by this Act, is amended by striking ‘plus’ at the end of paragraph (1) and inserting ‘plus’, and by adding at the end the following new paragraph:

“(2) The coalmine gas capture credit determined under section 45O.

(c) CERCLIS AMENDMENT.—The table of sections for part D of subpart I of chapter 11 of such Code, as amended by this Act, is amended by inserting after section 45N the following:

“Sec. 45O. Credit for capturing coalmine gas.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SA 972. Mr. WARNER (for himself, Mr. AXELANDER, and Mr. VONOVIICH) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 327, after line 21, add the following:

SEC. 290. GAS-ONLY LEASES. STATE REQUESTS TO EXAMINE ENERGY AREAS.

(a) GAS-ONLY LEASES.—Section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) (as amended by section 321) is amended by adding at the end the following:

“(q) GAS-ONLY LEASES.—

“(1) GENERAL.—The Secretary may issue a lease under this section beginning in the 2007—2012 plan period that authorizes development, production, or conversion of the lease, taking into consideration environmental resource conservation and recovery, economic factors, and other factors, as the Secretary considers relevant; and

“(2) EFFECT OF OTHER LAWS.—Any Federal law (including regulations) that applies to an oil and gas lease on the Outer Continental Shelf shall apply to a gas-only lease issued under this subsection.

(b) STATE REQUESTS TO EXAMINE ENERGY AREAS.—Section 18 of the Outer Continental Shelf Lands Act (43 U.S.C. 1321 et seq.) is amended by adding at the end the following:

“(1) DEFINITIONS.—In this subsection:

“(A) LEASE.—The term ‘lease’ includes a gas-only lease under section 8(q).

“(B) MORATORIUM AREA.—The term ‘mora-

torium area’ means

“(i) any area withdrawn from disposition by leasing by the memorandum entitled Memorandum on Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition (34 Weekly Comp. Pres. Doc. 1111 (June 12, 1996));

“(ii) any area of the outer Continental Shelf as to which Congress has denied the use of appropriated funds or other means for preleasing, leasing, or related activities.

“(2) RESOURCE ESTIMATES.—

“(A) REQUESTS.—At any time, the Governor of an affected State, acting on behalf of the Governor, may request the Secretary to provide a current estimate of proven and potential gas, or oil and gas, resources in any moratorium area (or any part of the moratorium area designated by the Governor) to, or lying seaward of the coastline of, that State.

“(B) RESPONSE OF SECRETARY.—Not later than 45 days after the date on which the Governor makes a request under subparagraph (A), the Secretary shall provide—

“(i) a delineation of the boundary lines between the coastal States, in accordance with—

“(I) any judicial decree or interstate compact pertaining to offshore boundaries between coastal States;

“(II) any principles of domestic and international law governing the delineation of offshore boundaries; and

“(III) to the maximum extent practicable, existing lease boundaries and block lines based on the official protraction diagrams of the Secretary;

“(ii) a current inventory of proven and potential gas, or oil and gas, resources in any moratorium area off the shore of a State, in accordance with the lateral boundaries delineated under clause (i), as requested by the Governor; and

“(iii) an explanation of the planning processes that could lead to the leasing, exploration, development, and production of the gas, or oil and gas, resources within the area identified by the Governor.

“(C) MAKING CERTAIN AREAS AVAILABLE FOR LEASING.—

“(A) PETITION.—In general.—On consideration of the information received from the Secretary, the Governor (acting on behalf of the State of the Governor) may submit to the Secretary a petition requesting that the Secretary make available for leasing any portion of a moratorium area off the coast of the State, in accordance with the lateral boundaries delineated under paragraph (2)(B)(i).

“(B) ACTION BY SECRETARY.—Not later than 90 days after the date of receipt of a petition under subparagraph (A), the Secretary shall:

“(i) consider the petition; and

“(ii) determine whether the petition is merited.

“(C) FAILURE TO ACT.—If the Secretary fails to approve or delay a petition in accordance with subparagraph (B), the petition shall be considered to be approved as of the date that is 90 days after the date of receipt of the petition.

“(D) TREATMENT.—Notwithstanding any other provision of this section, not later than 180 days after the date on which a petition is approved, or considered to be approved, under subparagraph (B) or (C), the Secretary shall—

“(i) prepare a request to the Governor under subparagraph (A) as a proposed revision to a leasing program under this section; and

“(ii) except as provided in subparagraph (B), expedite the revision of the 5-year outer Continental Shelf oil and gas leasing program in effect as of that date to include any leases sale for any area covered by the petition.

“(E) EXCLUSION.—In general.—If there are fewer than 18 months remaining in the 5-year Outer Continental Shelf oil and gas leasing program described in subparagraph (D)(ii), the Secretary, without consultation with any State, shall include the areas covered by the petition in lease sales under the 5-year outer Continental Shelf oil and gas leasing program.

“(F) ENVIRONMENTAL ASSESSMENT.—Before modifying a 5-Year Outer Continental Shelf Oil and Gas Leasing Program under clause (i), the Secretary shall complete an environmen-

tal assessment that considers the anticipated environmental effect of leasing in the area under the petition.

“(G) SPENDING LIMITATION.—Any Federal spending limitation with respect to preleasing, leasing, or a related activity in an area made available for leasing under this paragraph shall terminate as of the date on which the petition of the Governor relating to the area is approved, or considered to be approved, under subparagraph (B) or (C).
“(G) COASTAL ZONE MANAGEMENT.—For purposes of title III of the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.), any activity relating to leasing and subsequent production on an area made available for leasing under this paragraph shall—

(i) if the leased area is located more than 20 miles offshore of an adjacent State (or the boundary of a State as delineated under paragraph (2)(B)), be considered by the Secretary of Commerce to be necessary to the interest of national security and be carried out notwithstanding the objection of a State to a consistency certification under that Act; or

(ii) if the leased area is located not greater than 20 miles offshore of an adjacent State, be subject to section 307(c) of that Act (16 U.S.C. 1456(c)).

(4) REVENUE SHARING.—(A) BONUS BIDS.—If the Governor of a State requests the Secretary to allow gas, or oil or natural gas, leasing in the moratorium area and the Secretary allows that leasing, the State shall, without further appropriation or action, receive 25 percent of any bonus bid paid for leasing rights in the area.

(B) POST LEASING REVENUES.—In addition to the distribution under subparagraph (A), a State described in subparagraph (A) shall receive 25 percent of—

(i) any lease rental minimum royalty;

(ii) any royalty proceeds from a sale of royalties taken in kind by the Secretary; and

(iii) any other revenues from a bidding system under section 8.

(C) CONSERVATION ROYALTIES.—After making distributions in accordance with subparagraphs (A) and (B), and in accordance with section 118(a)(2) of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669b).

(iii) if the leased area is located not greater than 20 miles offshore of an adjacent State, be subject to section 307(c) of that Act (16 U.S.C. 1456(c)).

(4) REVENUE SHARING.—(A) BONUS BIDS.—If the Governor of a State requests the Secretary to allow gas, or oil or natural gas, leasing in the moratorium area and the Secretary allows that leasing, the State shall, without further appropriation or action, receive 25 percent of—

(i) any lease rental minimum royalty;

(ii) any royalty proceeds from a sale of royalties taken in kind by the Secretary; and

(iii) any other revenues from a bidding system under section 8.

(C) CONSERVATION ROYALTIES.—After making distributions in accordance with subparagraphs (A) and (B), and in accordance with section 118(a)(2) of the Pittman-Robertson Wildlife Restoration Act (16 U.S.C. 669b).

(iii) if the leased area is located not greater than 20 miles offshore of an adjacent State, be subject to section 307(c) of that Act (16 U.S.C. 1456(c)).
(iv) to provide for a primary lease term of 10 years, after which the lease term may be extended if the Secretary determines that diligent research and development activities are occurring on the land leased;
(v) require the owner or operator of a project under this subsection, within such period as the Secretary may determine—
(I) to conduct the project in an environmentally sound manner;
(II) to develop an environmental protection plan; and
(III) to undertake diligent research and development activities;
(vi) ensure that leases under this section are not larger than necessary to conduct research and development activities under an application for a lease submitted under paragraph (B);
(vii) provide for consultation with affected State and local governments; and
(viii) provide for such requirements as the Secretary determines to be in the public interest.

(2) COMMERCIAL LEASING.—Prior to conducting commercial leasing, the Secretary shall carry out—
(A) the programmatic environmental impact statement required under subsection (c); and
(B) the analysis required under subsection (d).

(3) MONEY RECEIVED.—Any moneys received from a leasing activity under this subsection shall be deposited in a special trust fund, to be available only to carry out the purposes of the public lease program. The moneys shall be available without regard to the provisions of title 5 U.S.C. 3105 for the purposes of—
(A) initiating public actions that are required to stimulate prudent development of oil shale and tar sands;
(B) ensuring that leases under this section provide for the use and distribution of bonus bid lease payments;
(C) ensuring that leases under this section are subject to the sliding scale royalty rate established under section 103(d) of this Act.

(4) DETERMINATION.—Not later than 18 months after the date of enactment of this Act, the Secretary of Energy shall analyze and make recommendations of the Task Force to develop a program to coordinate and accelerate the commercial development of oil shale and tar sands in an integrated manner.

(5) REPORT.—The Secretary shall prepare and submit to Congress a report on each of the 5 years following submission of the report under paragraph (1) any responses of the Secretary to those comments.

(c) Oil Shale and Tar Sands Task Force.—
(1) ESTABLISHMENT.—The Secretary of Energy, in cooperation with the Secretary of the Interior, shall establish an Oil Shale and Tar Sands Task Force to develop a program to coordinate and accelerate the commercial development of oil shale and tar sands in an integrated manner.

(2) COMPOSITION.—The Task Force shall be composed of—
(A) the Secretary of Energy (or the designee of the Secretary of Energy);
(B) the Secretary of Defense (or the designee of the Secretary of Defense);
(C) the Secretary of the Interior (or the designee of the Secretary of the Interior);
(D) the Governors of the affected States; and
(E) representatives of local governments in affected areas.

(3) DEVELOPMENT OF A 5-YEAR PLAN.—
(A) IN GENERAL.—The Task Force shall formulate a 5-year plan to promote the development of oil shale and tar sands.

(B) COMPONENTS.—In formulating the plan, the Task Force shall—
(i) identify public actions that are required to stimulate prudent development of oil shale and tar sands;
(ii) analyze the costs and benefits of those actions;
(iii) make recommendations concerning specific actions that should be taken to stimulate prudent development of oil shale and tar sands, including economic, investment, tax, technology, research and development, infrastructure, environmental, education, and socio-economic actions;
(iv) consult with representatives of industry and other stakeholders;
(v) provide notice and opportunity for public comment on the plan;
(vi) identify oil shale and tar sands technologies that—
(I) are ready for pilot plant and seminovelscale development; and
(II) have a high probability of leading to advanced technology for first- or second-generation commercial production;
(vii) assess the availability of water from the Green River Formation to meet the potential needs of oil shale and tar sands development.

(4) NATIONAL PROGRAM OFFICE.—The Task Force shall establish a national program office to administer the national program.

(5) PARTNERSHIP.—The Task Force shall enter into a partnership with Alberta, Canada, for purposes of sharing information relating to the development and production of oil from tar sands.

(6) AUTHORIZATION OF APPROPRIATIONS.—The Task Force shall submit to the President and Congress a report that describes the analysis and recommendations of the Task Force and contains the 5-year plan. The Secretary of Energy shall provide an annual report describing the progress in carrying out the plan for each of the 5 years following submission of the report provided for in subparagraph (A).

(f) MINERAL LEASING ACT AMENDMENTS.—
(1) BY DESIGNATING THE FIRST, SECOND, AND THIRD SENTENCES AS PARAGRAPHS (1), (2), AND (3), RESPECTIVELY; AND
(2) IN PARAGRAPH (3) AS DESIGNATED BY PARAGRAPH (1)—
(A) by striking ‘‘$2.00 per acre’’ and inserting ‘‘$2.00 per acre’’; and
(B) in the last proviso—
(i) by striking ‘‘That not more than one lease shall be granted under this section to any’’ and inserting ‘‘That no’’; and
(ii) by striking ‘‘except that with respect to leases for’’ and inserting ‘‘shall acquire or hold more than 25,000 acres of oil shale leases in the United States. For’’.

(1) COMPOSITION.—The Secretary of Energy shall identify technologies for the development of oil shale and tar sands that—
(A) are ready for demonstration at a commercially-representative scale; and
(B) have a high probability of leading to commercial production.

(2) TECHNICAL ASSISTANCE.—For each technology identified under paragraph (1), the Secretary of Energy may provide—
(A) technical assistance; and
(B) assistance in meeting environmental and regulatory requirements; and
(C) cost-sharing assistance in accordance with section 1002.

(h) TECHNICAL ASSISTANCE.—
(1) IN GENERAL.—The Secretary of Energy may provide technical assistance for the purpose of overcoming technical challenges to the development of oil shale and tar sands technologies for application in the United States.

(2) ADMINISTRATION.—The Secretary of Energy shall carry out a national assessment of oil shale resources for the purposes of evaluating and mapping oil shale deposits, in the geographic areas described in subparagraph (B).

(B) GEOGRAPHIC AREAS.—The geographic areas referred to in subparagraph (B) are—
(i) the Green River Region of the States of Colorado, Utah, and Wyoming;
(ii) the Devonian oil shale deposits of the eastern United States; and
(iii) any remaining area in the central and western United States (including the State of Alaska) that contains oil shale, as determined by the Secretary.

(2) USE OF STATE SURVEYS AND UNIVERSITY DATA.—In carrying out the assessment under paragraph (1), the Secretary may request assistance from any State-administered geological survey or university.

(3) STATE WATER RIGHTS.—Nothing in this section preempts or affects any State water law or interstate compact relating to water.

(4) AUTHORIZATION OF APPROPRIATIONS.—The Secretary of Energy may provide technical assistance described in this section.
SA 980. Mr. Frist (for Ms. Stabenow for herself, Mrs. Boxer, and Mr. Dorgan) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

SEC. 12. INVESTIGATION OF GASOLINE PRICES.

(a) INVESTIGATION.—Not later than 90 days after the date of enactment of this Act, the Federal Trade Commission shall conduct an investigation to determine if the price of gasoline is being artificially manipulated by reducing refinery capacity or by any other form of refinery manipulation or price gouging practices.

(b) EVALUATION AND ANALYSIS.—The Secretary shall conduct an evaluation and analysis to determine whether, and to what extent, environmental and other regulations affect new domestic refinery construction and significant expansion of existing refinery capacity.

(c) REPORT TO CONGRESS.—

(1) IN GENERAL.—On completion of the investigation under subsection (a), the Federal Trade Commission shall submit to Congress a report that describes—

(A) the results of the investigation; and

(B) any recommendations of the Federal Trade Commission.

(2) EVALUATION AND ANALYSIS.—On completion of the evaluation and analysis under subsection (b), the Secretary shall submit to Congress a report that describes—

(A) the results of the evaluation and analysis; and

(B) any recommendations of the Secretary.

SA 981. Mr. Frist (for Mr. Kohl for himself, Mr. DeWine, and Mr. Lieberman) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 53, strike lines 1 through 6 and insert the following:

Small Business Administration shall make program information available directly to small businesses and through other Federal agencies, including the Small Business Administration, the Small Business Development Centers, the Service Corps of Retired Executives, and the National Minority Business Development Council and the Hispanic Business Development Council.

SA 982. Mr. Frist (for Mr. Alexander) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 755, after line 25, add the following:

SEC. 10. STUDY OF BEST MANAGEMENT PRACTICES FOR ENERGY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) IN GENERAL.—The Secretary shall enter into an arrangement with the National Academy of Public Administration under which the Academy shall conduct a study to assess management practices for research, development, and demonstration programs at the Department.

(b) SCOPE OF THE STUDY.—The study shall consider the following:

(1) management practices that act as barriers between the Office of Science and offices conducting mission-oriented research;

(2) the applicability of management practices used by the Department of Defense Advanced Research Projects Agency to research programs at the Department;

(3) the advisability of creating an agency within the Department modeled after the Department of Defense Advanced Research Projects Agency;

(4) recommendations for management practices that could best encourage innovative research and efficiency at the Department; and

(5) any other relevant considerations.

(c) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to Congress a report on the study conducted under this section.

SA 983. Mr. Frist (for Mr. Jepson) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 131, line 20, insert “livestock methane,” after “landfill gas.”

SA 984. Mr. Frist (for Mr. Cornyn) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 537, after line 22, insert the following:

SEC. 9. LOW-VOLUME GAS RESERVOIR RESEARCH PROGRAM.

(a) DEFINITIONS OF GIS.—In this section, the term “GIS” means geographic information systems technology that facilitates the organization and management of data with a geographic component.

(b) PROGRAM.—The Secretary shall establish a program of research, development, demonstration, and commercial application to maximize the productive capacity of marginal wells and reservoirs.

(c) DATA COLLECTION.—Under the program, the Secretary shall collect data on—

(1) the status and location of marginal wells and gas reservoirs;

(2) the production capacity of marginal wells and gas reservoirs;

(3) the location of low-pressure gathering facilities and pipelines; and

(4) the quantity of natural gas vented or flared in association with crude oil production.

(d) ANALYSIS.—Under the program, the Secretary shall—

(1) estimate the remaining producible reserves based on variable pipeline pressures; and

(2) recommend measures that will enable the continued production of those resources.

(e) STUDY.—

(1) IN GENERAL.—The Secretary may award grants to States that contain significant numbers of marginal oil and natural gas wells to conduct an annual study of low-volume natural gas reservoirs.

(2) ORGANIZATION WITH NO GIS CAPABILITIES.—If an organization receiving a grant under paragraph (1) does not have GIS capabilities, the organization shall contract with an institution of higher education with GIS capabilities.

(3) STATE GEOLOGISTS.—The organization receiving a grant under paragraph (1) shall collaborate with the State geologist of each State being studied.

(f) PUBLIC INFORMATION.—The Secretary may use the data collected and analyzed under this section for management maps and literature to disseminate to States to promote conservation of natural gas reserves.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section—

(1) $1,500,000 for fiscal year 2006; and

(2) $450,000 for each of fiscal years 2007 and 2008.

SA 985. Mr. Frist (for Mrs. Hutchison) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 767, between lines 21 and 22, insert the following:

(3) PETROLEUM COKE GASIFICATION PROJECTS. The Secretary is encouraged to make loan guarantees under this title available for petroleum coke gasification projects.

SA 986. Mr. Frist (for Mr. Jefferson) proposed an amendment to the bill H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy; as follows:

On page 159, after line 23, add the following:

SEC. 9. RURAL AND REMOTE COMMUNITY ELECTRIFICATION GRANTS.

The Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.) is amended in title VI by adding at the end the following:

SEC. 609. RURAL AND REMOTE COMMUNITIES ELECTRIFICATION GRANTS.

“(a) DEFINITIONS.—In this section:

(1) The term ‘eligible grantee’ means a local government or municipality, ‘people’s utility district, irrigation district, and cooperative, nonprofit, or limited-dividend association in a rural area.

(2) The term ‘incremental hydropower’ means additional generation achieved from increased efficiency after January 1, 2005, at a hydroelectric dam that was placed in service before January 1, 2005.

(3) The term ‘renewable energy’ means electricity generated from—

(A) a renewable energy source; or

(B) any other relevant considerations.

(4) The term ‘renewable energy source’ means—

(A) wind;

(B) ocean waves;

(C) biomass;

(D) solar;

(E) landfill gas;

(F) Incremental hydropower;

(G) livestock methane; or

(H) geothermal energy.

(5) The term ‘rural area’ means a city, town, or unincorporated area that has a population of not more than 19,000 inhabitants.

(b) GRANTS.—The Secretary, in consultation with the Secretary of Agriculture and the Secretary of the Interior, may grant funds under this section to eligible grantees for the purpose of—

(1) increasing energy efficiency, siting or upgrading transmission and distribution lines serving rural areas; or

(2) providing or modernizing electric generation facilities that serve rural areas.

(c) GRANT ADMINISTRATION.—(1) The Secretary shall make grants under this section based on a determination of cost-effectiveness and the most effective use of the funds to achieve the purposes described in subsection (b).

(2) For each fiscal year, the Secretary shall—

(A) establish criteria for the purposes described in subsection (b), and

(B) allocate funds to carry out the purposes described in subsection (b).
shall give preference to renewable energy fa-
cilities.

(d) AUTHORIZATION OF APPROPRIATIONS.—
There is authorized to be appropriated to the
Secretary to carry out this section $300,000,000
for each of fiscal years 2006 through 2012.

SA 987. Mr. FRIST (for Mr. ALEX-
ANDER) proposed an amendment to the bill
H.R. 6, to ensure jobs for our future
with secure, affordable, and reliable en-
ergy; as follows:

On page 755, after line 25, add the fol-
lowing:

SEC. 128. PASSIVE SOLAR TECHNOLOGIES.
(a) DEFINITION OF PASSIVE SOLAR TECH-
NOLOGY.—In this section, the term “passive
solar technology” means a passive solar tech-
ology, including daylighting, that—
(1) is used exclusively to avoid electricity
use; and
(2) can be metered to determine energy
savings.

(b) STUDY.—The Secretary shall conduct a
study to determine—
(1) the range of leveled costs of avoided
electricity for passive solar technologies;
(2) the quantity of electricity displaced
using passive solar technologies in the
United States as of the date of enactment of
this Act; and
(3) the projected energy savings from pas-
itive solar technologies in 5, 10, 15, 20, and
25 years after the date of enactment of this Act
if—
(A) incentives comparable to the incen-
tives provided for electricity generation
energies; and
(B) no new incentives for passive solar
technologies were provided.

(c) REPORT.—Not later than 120 days after
the date of enactment of this Act, the Sec-
retary shall submit to Congress a report that
describes the results of the study under sub-
section (b).

SA 988. Mr. FRIST (for Mr. HARKIN)
proposed an amendment to the bill
H.R. 6, to ensure jobs for our future
with secure, affordable, and reliable en-
ergy; as follows:

On page 488, between lines 20 and 21, insert
the following:

SEC. 9. HYDROGEN INTERMEDIATE FUELS RE-
SEARCH PROGRAM.
(a) IN GENERAL.—The Secretary, in coordi-
nation with the Secretary of Agriculture,
shall carry out a 3-year program of research,
development, and demonstration on the use
of ethanol and other low-cost transportable
renewable feedstocks as intermediate fuels
for the safe, energy efficient, and cost-effect-
ive transportation of hydrogen.

(b) GOALS.—The goals of the program shall
include—
(1) demonstrating the cost-effective con-
version of ethanol or other low-cost trans-
portable renewable feedstocks to pure hydro-
gen suitable for eventual use in fuel cells;
(2) using existing commercial reforming
technology or modest modifications of existing
technology to reform ethanol or other
low-cost transportable renewable feedstocks
into hydrogen;
(3) converting at least 1 commercially available
internal combustion engine hybrid
electric passenger vehicle to operate on hy-
drogen;
(4) no later than 1 year after the date on
which the program begins, installing and op-
erating an ethanol reformer, or reformer for
another low-cost transportable renewable
feedstock (including lignocellulosic com-
pression, storage, and dispensing), at the fa-
cilities of a fleet operator;

(5) operating the 1 or more vehicles de-
scribed in paragraph (3) for a period of at
least 2 years; and

(6) collecting emissions and fuel economy
data on the 1 or more vehicles described in
paragraph (3) in various operating and envi-
ronmental conditions.

(c) AUTHORIZATION OF APPROPRIATIONS.—
There is authorized to be appropriated to
the Secretary to carry out this section
$5,000,000.

SA 989. Mr. FRIST (for Mr. DOMENICI)
proposed an amendment to the bill
H.R. 6, to ensure jobs for our future
with secure, affordable, and reliable en-
ergy; as follows:

On page 11, between lines 10 and 11, insert
the following:

(4) converting at least 1 commercially
marketed vehicle to operate on low-
cooking hydrogen;

(5) operating the 1 or more vehicles de-
scribed in paragraph (3) for a period of at
least 2 years; and

(6) collecting emissions and fuel economy
data on the 1 or more vehicles described in
paragraph (3) in various operating and envi-
ronmental conditions.

(d) AUTHORIZATION OF APPROPRIATIONS.—
There is authorized to be appropriated to
the Secretary to carry out this section
$5,000,000.
(C) $394,000,000 for fiscal year 2008.
(3) For activities under section 956—
(A) $20,000,000 for fiscal year 2006;
(B) $25,000,000 for fiscal year 2007; and
(C) $50,000,000 for fiscal year 2008.
On page 504, line 24, strike “(b)(2)” and
insert “(b)(1)”.
Beginning on page 565, strike lines 17 and
all that follow through page 506, line 2.
On page 506, line 3, strike “(c)” and
insert “(b)”.
On page 506, line 11, strike “(d)” and
insert “(c)”.
Beginning on page 519, strike line 9 and
all that follow through page 523, line 6, and
insert the following:
SEC. 955. COAL AND RELATED TECHNOLOGIES
PROGRAM.
(a) In General.—In addition to the pro-
grams authorized under title IV, the Sec-
retary shall conduct a program of tech-
ology research, development, and dem-
stration, and commercial application for
coal and power systems, including programs
to facilitate production and generation of
coal-based power through—
(1) innovations for existing plants (includ-
ing mercury removal);
(2) gasification systems;
(3) advanced combustion systems;
(4) turbines for synthesis gas derived from
coal;
(5) carbon capture and sequestration re-
search and development;
(6) coal-derived chemicals and transpor-
tation fuels;
(7) liquid fuels derived from low rank coal
water;
(8) solid fuels and feedstocks;
(9) advanced coal-related research;
(10) advanced separation technologies; and
(11) fuel cells for the operation of synthesis
gas derived from coal.
(b) Cost and Performance Goals.—
(1) IN GENERAL.—In carrying out pro-
grams authorized by this section, the Sec-
retary shall identify cost and performance goals for
coal-based technologies that would permit the
continued cost-competitive use of coal for the
production of electricity, chemical feedstocks,
and transportation fuels in 2008, 2010, 2012, and
2016, and each calendar year beginning after September 30, 2021.
(2) ADMINISTRATION.—In establishing the
cost and performance goals, the Secretary shall—
(A) consider activities and studies under-
taken in the enactment of this Act
by industry in cooperation with the Depart-
ment in support of the identification of the
goals;
(B) consult with interested entities, includ-
ing—
(i) coal producers;
(ii) industries using coal;
(iii) organizations that promote coal and
advanced coal technologies;
(iv) environmental organizations;
(v) organizations representing workers; and
(vi) organizations representing consumers;
(C) not later than 120 days after the date of
enactment of this Act, publish in the Federal Regis-
ter for coal-based systems for use—
(1) in new coal utilization facilities; and
(2) on the fleet of coal-based units in exist-
ence on the date of enactment of this Act.
(b) OBJECTIVES.—The objectives of the pro-
gram under subsection (a) shall be—
(1) to develop carbon dioxide capture tech-
ologies, including adsorption and absorp-
tion technologies and chemical processes to
remove the carbon dioxide from gas streams
containing carbon dioxide potentially ame-
able to sequestration;
(2) to develop technologies that would di-
rectly produce concentrated streams of car-
bon dioxide potentially amenable to seque-
stration;
(3) to increase the efficiency of the overall
system to reduce the quantity of carbon di-
oxide emissions released from the system per
megawatt generated; and
(4) in accordance with the carbon dioxide
capture program, to promote a robust carbon
sequestration program and continue the work of the Department, in conjunction with
the private sector, through regional carbon
sequestration partnerships.
On page 522, between lines 8 and 9, insert
the following:
(1) FUEL CELLS.—
(1) IN GENERAL.—The Secretary shall con-
duct a program of research, development,
demonstration, and commercial application on fuel cells for low-cost, high-efficiency,
fuel-flexible, modular power systems.
(2) DEMONSTRATIONS.—The demonstra-
tions referred to in paragraph (1) shall include
fuel cells for commercial, residential,
and transportation applications, and
distributed generation systems, using improved manufacturing production
and processes.
On page 558, beginning on line 22, strike
“of the Senate” and all that follows through
“Commerce” on line 23 and insert “and the
Committee on Energy and Commerce
and the Committee on International Relations”.
On page 595, between lines 4 and 5, insert
the following:
(2) REPORT ON TRENDS.—Not later than 1
year after the date of enactment of this Act, the
Secretary shall submit to Congress a re-
port on current trends under paragraph (1),
with recommendations (as appropriate) to
meet the future labor requirements for the
energy technology industries.
On page 595, line 5, strike “(2) REPORT
"As" and insert the following:
(3) REPORT ON SHORTEST "As“.
On page 595, line 22 and all that fol-
lo through page 597, line 29, and insert the
following:
SEC. 1105. EDUCATIONAL PROGRAMS IN SCIENCE AND
MATHEMATICS.
(a) SCIENCE EDUCATION ENHANCEMENT
FUND.—Section 3164 of the Department of
Energy Science Education Enhancement Act
(42 U.S.C. 7381a) is amended by adding at the
end:
“(c) SCIENCE EDUCATION ENHANCEMENT
FUND. (42 U.S.C. 7381b) is amended by adding at the
end the following:”
“(d) AUTHORIZED EDUCATION ACTIVITIES.—
Section 3165 of the Department of Energy
Science Education Enhancement Act (42 U.S.C.
7381c) is amended by adding at the end the
following:
“(14) Support competitive events for stu-
dents under the supervision of teachers, de-
signed to encourage student interest and
training activities identified as critical
skills needs for future workforce develop-
ment at Department research and develop-
ment facilities.”
“(15) Support competitively-awarded, peer-
reviewed programs to promote professional
development for mathematics teachers and
science teachers who teach in grades from
kindergarten through grade 12 at Depart-
ment research and development facilities.
“(16) Support summer internships at De-
partment research and development facil-
ities, for mathematics teachers and science
teachers who teach in grades from
kindergarten through grade 12.”
“(17) Sponsor and assist in educational and
training activities identified as critical
skills needs for future workforce develop-
ment at Department research and develop-
ment facilities.”
“(c) EDUCATIONAL PARTNERSHIPS.—Section
3166(b) of the Department of Energy
Science Education Enhancement Act (42 U.S.C.
7381c(b)) is amended—
(1) by striking paragraph (1) and inserting
the following:
“(1) training or transferring equipment to the
institution;”; and
(2) in paragraph (5), by striking “and” at
the end.
(3) in paragraph (6), by striking the period
after “Department” and inserting “; and”; and
(4) by adding at the end the following:
“(7) providing funds to educational institu-
tions to hire personnel to facilitate inter-
actions between local school systems, De-
partment research and development facil-
ities, and corporate and governmental enti-
ties.”
“(d) DEFINITION OF DEPARTMENT RESEARCH
AND DEVELOPMENT FACILITIES.—Section
3167(3) of the Department of Energy
Science Education Enhancement Act (42 U.S.C.
7381d(3)) is amended by striking “from the
Office of Science of the Department of
Energy” and inserting “by the Department of
Energy”.
“(e) STUDY.—
(1) IN GENERAL.—The Secretary shall enter
into an arrangement with the National
Academy of Public Administration to con-
duct a study of the priorities, quality, local
and regional flexibility, and plans for edu-
cational programs at Department research
and development facilities.
(2) INCLUSION.—The study shall recommend
measures that the Secretary may take to
improve Department-wide coordination of
educational, workforce development, and
critical skills development activities.
(3) REPORT.—Not later than 2 years after
the date of enactment of this Act, the Sec-
retary shall submit to Congress a report on the
results of the study conducted under this
subsection.
On page 599, line 15, insert “(as amended
by section 1105(a)(1) after “7381a”)
On page 599, line 17, strike “(c)” and
insert “(d)”.
On page 606, line 3, insert “by the Commis-
sioner” after “request.”
On page 755, after line 25, add the fol-
lowing:
SEC. 13. STUDY OF LINK BETWEEN ENERGY SECURITY AND INCREASES IN VEHICLE MILES TRAVELED.

(a) In General.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy shall conduct a study to assess the implications on energy use and efficiency of land development patterns in the United States. 

(b) Scope.—The study shall consider—

(1) the relationship, if any, between land development patterns and increases in vehicle miles traveled;

(2) whether petroleum use in the transportation sector could be reduced through changes in the design of development patterns;

(3) the potential benefits of—

(A) information and education programs for State and local officials (including planning officials) on the potential for energy savings through planning, design, development, and infrastructure decisions;

(B) incorporation of location efficiency models in transportation infrastructure planning and investments; and

(C) transportation policies and strategies to help transportation planners manage the demand for the number and length of vehicle trips, including trips that increase the viability of travel; and

(4) such other considerations relating to the study topic as the National Academy of Sciences finds appropriate. 

(c) Notice.—Not later than 2 years after the date of enactment of this Act, the National Academy of Sciences shall submit to the Secretary and Congress a report on the study conducted under this section.

SEC. 13A. STUDY OF AVAILABILITY OF SKILLED WORKERS.

(a) In General.—The Secretary shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of the short-term and long-term availability of skilled labor to meet the energy and mineral security requirements of the United States.

(b) Inclusions.—The study shall include an analysis of—

(1) the need for and availability of workers for the oil, gas, and mineral industries;

(2) the availability of skilled labor at both entry level and more senior levels; and

(3) recommendations for future actions needed to meet future labor requirements.

(c) Notice.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes the results of the study.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Committee on Energy and Natural Resources on Tuesday, July 19, at 10 a.m. in Room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the oversight hearing is to receive testimony regarding the effects of the U.S. nuclear testing program on the Marshall Islands.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, D.C. 20510–6150.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. INHOFE. Mr. President, I ask unanimous consent that the committee on Agriculture, Nutrition and Forestry be authorized to conduct a hearing during the session of the Senate on Wednesday, June 22, 2005 at 10 a.m. in SR–328A, Russell Senate Office Building. The purpose of this hearing will be to consider the nomination of Dr. Richard A. Raymond to be Under Secretary for food safety at the United States Department of Agriculture.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. INHOFE. Mr. President, I ask unanimous consent that the committee on Agriculture, Nutrition and Forestry be authorized to conduct a hearing during the session of the Senate on Wednesday, June 22, 2005 at 9:30 a.m. to hold a business meeting. The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. INHOFE. Mr. President, I ask unanimous consent that the committee on Homeland Security and Governmental Affairs be authorized to meet and hold a business meeting to consider pending committee business.

AGENDA LEGISLATION

S. 662, Postal Accountability Enhancement Act; S. 457, Purchase Card Waste Elimination Act; S. 611, Emergency Medical Services Act; S. 1570, a bill to extend the special postage stamp for breast cancer research for two years.

POST OFFICE NAMING BILLS

H.R. 1460, a bill to designate the facility of the U.S. Postal Service located at 6200 Rolling Road in Springfield, VA, as the "Mark Stabenhoefer Post Office Building".

S. 590/H.R. 1236, a bill to designate the facility of the U.S. Postal Service located at 75th Street in Sparks, NV, as the "Mayor Tony Armstrong Memorial Post Office".

S. 571, a bill to designate the facility of the U.S. Postal Service located at 1915 Fulton Street in Brooklyn, NY, as the "Congresswoman Shirley A. Chisholm Post Office Building".

S. 892/H.R. 324, a bill to designate the facility of the U.S. Postal Service located at 321 Montgomery Road in Altamonte Springs, FL, as the "Arthur Stacey Mastrapa Post Office Building".

S. 867/H.R. 289, a bill to designate the facility of the U.S. Postal Service located at 8200 South Vermont Avenue in Los Angeles, CA, as the "Sergeant First Class John Marshall Post Office Building".

S. 1207/H.R. 120, a bill to designate the facility of the U.S. Postal Service located at 20777 Palos Verdes Road in Temecula, CA, as the "Dalip Singh Saund Post Office Building".

S. 775, a bill to designate the facility of the U.S. Postal Service located at 123 West 7th Street in Holdenville, OK, as the "Boone Pickens Post Office".

S. 1206/H.R. 504, a bill to designate the facility of the U.S. Postal Service located at 4960 West Washington Boulevard in Los Angeles, CA, as the "Ray Orf Post Office Building".

H.R. 1001, a bill to designate the facility of the U.S. Postal Service located at 301 South Heatherbridge Boulevard in Pflugerville, TX, as the "Senator Byron W. Norwood Post Office Building".

H.R. 1072, a bill to designate the facility of the U.S. Postal Service located at 151 West End Street in Goliad, TX, as the "Judge Emilio Vargas Post Office Building".

S. 904, a bill to designate the facility of the U.S. Postal Service located at 1560 Union Valley Road in West Milford, NJ, as the "Brian P. Farrello Post Office Building".

H.R. 1542, a bill to designate the facility of the U.S. Postal Service located at 695 Pleasant Street in New Bedford, MA, as the "Honorable Judge George N. Leighton Post Office Building".

H.R. 1082, a bill to designate the facility of the U.S. Postal Service located at 120 East Illinois Avenue in Vinita, OK, as the "Francis C. Goodpaster Post Office Building".

H.R. 1524, a bill to designate the facility of the U.S. Postal Service at 12433 Antioch Road in Overland Park, KS, as the "Ed Eilert Post Office Building".

H.R. 627, a bill to designate the facility of the U.S. Postal Service located at 40 Putnam Avenue in Hamden, CT, as the "Linda White-Epps Post Office".

H.R. 2326, a bill to designate the facility of the U.S. Postal Service located at 61 West Old Country Road in Belhaven, NC, as the "Floyd Lupton Post Office".

NOMINATIONS

Linda M. Combs to be Controller, Office of Federal Financial Management, Office of Management and Budget.

Linda M. Springer to be Director, Office of Personnel Management.

Laura A. Cordero to be Associate Judge, Superior Court of the District of Columbia.

Noel Anketell Kramer to be Associate Judge, District of Columbia Court of Appeals.
The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. INHOFE. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, June 22, 2005, at 9:30 a.m. in Room 216 of the Hart Senate Office Building to conduct an oversight hearing on the In Re Tribal Lobbying Matters, et al.

Those wishing additional information may contact the Indian Affairs Committee at 224-2251.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. INHOFE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on June 22, 2005 at 2:30 p.m. to hold a closed briefing.

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

PRIVILEGE OF THE FLOOR

Mr. BOND. Mr. President, I ask unanimous consent that John Stoody, an EPW fellow in my office, be granted floor privileges during the pendency of this legislation.

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

Mr. OBAMA. Mr. President, I ask unanimous consent that Dr. Jana Davis, an AAAS science fellow in Senator Lautenberg’s office, be granted floor privileges during the consideration of H.R. 8.

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

HONORING THE SIGMA CHI FRATERNITY ON THE OCCASION OF ITS 150TH ANNIVERSARY

Mr. FRIST. Madam President, I ask unanimous consent the Judiciary Committee be discharged and the Senate proceed to the immediate consideration of H. Con. Res. 163.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 163) honoring the Sigma Chi Fraternity on the occasion of its 150th anniversary.

There being no objection, the Senate proceeded to consideration of the concurrent resolution.

Mr. ENZI. Mr. President, it gives me a great deal of pleasure to bring before the Senate a resolution honoring Sigma Chi on the occasion of its 150th anniversary.

I am especially pleased to do so because I am a member of that organization. I am very proud of that, and of the association with the people who have made Sigma Chi what it is today and that has been for 150 years.

Pay a quick visit to any college campus in the country and you will see a number of fraternities in residence that are doing a great job of supporting their members and be a force for change in the world. They are good organizations, and they offer a lot to those who enroll, but, even given my bias in favor of Sigma Chi, I do not think there is any question that Sigma Chi has been one of the best of the bunch for many, many years.

Sigma Chi was founded in 1855 at Miami University in Ohio by seven friends who wanted to provide a better fraternity experience at their school. The seven joined together to pursue their dream of a fraternity that would be an “association for the development of the nobler powers of the mind, the finer feelings of the heart, and for the promotion of friendship and congeniality of feeling.”

That effort succeeded beyond their wildest dreams and today, that one chapter has grown to more than 200,000 active members across the United States and Canada. Each chapter exists to promote each member’s active pursuit of an education on campus and, off campus, it encourages them to get involved in the day to day life of the community that surrounds their school. That has enabled Sigma Chi to produce leaders committed to making a difference in the world using their God-given talents and abilities and the education they have received in college. Simply put, Sigma Chi people are committed to making the world a better place for us all to live by encouraging everyone to get involved.

Fraternities have traditionally provided an important source of support for many people who are away from home for an extended period of time—first time in their lives. Sigma Chi has a 150-year history of being an important part of the social network that exists to make campus life better. Thanks to Sigma Chi, the friends you make, the support you receive, and the camaraderie you develop lasts a lifetime.

Congratulations, Sigma Chi. You have a history of helping to develop leaders who have produced results that have changed the world. Your future is bright and full of promise. The roster of those who have belonged to Sigma Chi is long and impressive. I know I’m in good company with my Sigma Chi brothers and I’m proud to be a part of it all.

I ask unanimous consent to print the following in the RECORD:

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

FAMOUS SIGMA CHI’S

John Wayne, motion picture actor; David Letterman, talk show host; Carson Daly, “Late Night,” television personality; Tom Selleck, television and movie actor; Matt Groening, creator of “The Simpsons;” Eddie Murphy, actor and comedian; Woody Harrelson, motion picture actor; Warren Beatty, motion picture actor-producer; Brian Wilson, rock music creator, producer, and song writer; Tom Hanks, motion picture actor; Ted Turner, creator, producer, and song writer; Clarence Gilyard, Jimmy Trivette on “Walker Texas Ranger;” Woody Hayes, former Ohio State football coach; Bud Adams, owner of the Houston Texans; Jim Palmer, Hall of Fame baseball pitcher; Mike Ditka, Super Bowl winning coach of the Chicago Bears; Mike Holmgren, Super Bowl winning coach of the Green Bay Packers; Drew Brees, quarterback for the San Diego Chargers; Jim Everett, former quarterback of the New Orleans Saints and Henderson;’s Super Bowl winning quarterback of the Minnesota Vikings.

Cliff Kingesbury, former Texas Tech quarterback; Eddie Sutton, Oklahoma State basketball coach; James Brady, Press Secretary for President Reagan who was shot during Reagan’s assassination attempt; Barry Goldwater, Arizona Senator and 1968 Republican Presidential Candidate; Grover Cleveland, President of the United States; Frank Murphy, U.S. Supreme Court Judge; William Marriott, President & CEO of Marriott Hotel Corp.; Michael D. Rose, CEO of Holiday Corp., parent company of Holiday Inns; Richard Nunis, chairman of Walt Disney Attractions; Carl Bausch, CEO of Bausch & Lomb; John Gingrich, CEO of Nestle; Ben Wells, president of T-Up Co.; James Barksdale, CEO of Netscape Communications; Steven Lew, CEO of Universal Studios; Charles Weaver, CEO of the Clorox Company; John Madigan, president of The Tribune Company; Ted Rogers, president of Rogers Communications; L.D. Caro and John Young, America’s most experienced astronaut.

Greg Harbaugh, U.S. Space Shuttle astronaut; Kevin & Joe Namath, owners of the Sacramento Kings; Barry Ackerley, owner of the Seattle Supersonics; Bob McNair, owner of the Houston Texans; Mark DeJord, Atlanta Braves infielder; Hank Stram, Super Bowl winning coach of the Kansas City Chiefs; Dennis Swanson, president of ABC Sports; Patrick Muldoon, actor on “Days of Our Lives;” Merlin Olsen, former football player and actor; Ted McGinley, actor on “Married with Children;” William Christopher, actor on “M*A*S*H;” Rip Tore, motion picture actor; Mike Feters, Pulitzer Prize cartoonist of “Mother Goose and Grimm;” Alan Sugg, president of the University of Arkansas; General Merrill McPeak, Chief of Staff, U.S. Air Force; H. Jackson Brown Jr., best-selling author of “Life’s Little Instruction Book;” Gordon Gould, primary inventor of the laser; and Dr. William DeVries, pioneering surgeon of the artificial heart.

Mr. FRIST. I ask unanimous consent the resolution be agreed to. The preamble be agreed to, the motion to reconsider be laid on the table, and any statements relating to the resolution be printed in the RECORD.

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

The concurrent resolution (H. Con. Res. 163) was agreed to.

The preamble was agreed to.

CONGRATULATING SMALL BUSINESS DEVELOPMENT CENTERS

Mr. FRIST. Madam President, I ask unanimous consent that the Small Business Committee be discharged from further consideration of S. Res. 165, and the Senate now proceed to its immediate consideration.
The PRESIDING OFFICER. Without objection it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 165) congratulating the Small Business Development Centers of the Small Business Administration on their 25 years of service to America’s small business owners and entrepreneurs.

The preamble was agreed to.

The resolution (S. Res. 165) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 165

Whereas in 1980, Congress established the Small Business Development Center program to deliver management and technical assistance counseling and provide educational programs to prospective and existing small business owners; Whereas over the last 25 years, the Small Business Development Center network counseled and trained more than 11,000,000 small business owners and entrepreneurs, helping small businesses start, grow and create jobs in the United States; Whereas the Small Business Development Centers exemplify the partnership between private sector institutions of higher education and Government, working together to support small businesses and entrepreneurship; Whereas the Small Business Development Centers have been a critical partner in the start-up and growth of the Nation’s small businesses; Whereas in 2003, the Small Business Development Centers counseled and trained approximately 750,000 new and existing small businesses; Whereas the Small Business Development Centers deliver specialized assistance through a network of 63 lead centers and more than 1,100 service locations in 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa; Whereas the Small Business Development Centers provide assistance tailored to the local community and the needs of the client, including counseling and training on financial management, marketing, production and organization, international trade assistance, procurement assistance, venture capital formation, and rural development, among other services that improve the economic environment in which small businesses compete; Whereas in 2005, the Small Business Development Center’s in-depth counseling helped small businesses generate nearly $9,000,000,000 in revenues and save an additional $6,000,000,000 in sales; Whereas in 2005, the Small Business Development Centers helped create and retain over 163,000 jobs across the United States; and Whereas the Small Business Development Centers proudly celebrate 25 years of service to America’s small business owners and entrepreneurs;

(2) recognizes their service in helping America’s small businesses start, grow, and flourish; and

(3) directs the Secretary of the Senate to transmit a copy of this resolution to the Association for Small Business Development Centers for appropriate display.

SUPPORTING THE GOALS AND IDEAS OF NATIONAL TIME OUT DAY

Mr. FRIST. Madam President, I ask unanimous consent that the HELP Commission be discharged from further consideration of S. Res. 40, and the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 40) supporting the goals and ideas of National Time Out Day to promote the adoption of the Joint Commission on Accreditation of Healthcare Organizations’ universal protocol for preventing errors in the operating room.

Whereas the resolution be disagreed to, and the motion to reconsider be laid on the table.

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

The resolution (S. Res. 40) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 40

Whereas according to an Institute of Medicine report entitled “To Err is Human: Building a Safer Health System”, published in 2000, between 44,000 and 98,000 hospitalized people in the United States die each year due to medical errors, and untold thousands more suffer injury or illness as a result of preventable errors; Whereas there are more than 40,000,000 inpatient surgery procedures and 31,000,000 outpatient surgery procedures performed annually in the United States; Whereas for the last 25 years, nurses, surgeons, and hospitals throughout the country are being required by the Joint Commission on Accreditation of Healthcare Organizations to adopt a common set of operating room procedures in order to help curb the alarming number of deaths and injuries due to medical errors; Whereas the Joint Commission on Accreditation of Healthcare Organizations has developed a universal protocol, endorsed by more than 50 national healthcare organizations, that calls for surgical teams to call a “time out” before surgeries begin in order to verify the patient’s identity, the procedure to be performed, and the site of the procedure; Whereas 4,579 accredited hospitals, 1,261 ambulatory care facilities, and 131 accredited office-based surgery centers were required by the Joint Commission on Accreditation of Healthcare Organizations to adopt the universal protocol beginning July 1, 2004; Whereas the Association of periOperative Registered Nurses has created an Internet website and distributed 55,000 tool kits to healthcare professionals throughout the country to assist them in implementing the universal protocol; and Whereas the Association of periOperative Registered Nurses, the Joint Commission on Accreditation of Healthcare Organizations, the American College of Surgeons, the American Society of Anesthesiologists, the American Hospital Association, and the American Society for Healthcare Risk Management celebrate National Time Out Day on June 22, 2005, to promote the adoption of the Joint Commission on Accreditation of Healthcare Organizations’ universal protocol for preventing errors in the operating room; Now, therefore, be it

Resolved, That the Senate—

(1) supports the goals and ideas of National Time Out Day, as designated by the Association of periOperative Registered Nurses and endorsed by the American College of Surgeons, the American Society of Anesthesiologists, the American Hospital Association, and the American Society for Healthcare Risk Management, to promote the adoption of the Joint Commission on Accreditation of Healthcare Organizations’ universal protocol for preventing errors in the operating room; and

(2) congratulates perioperative nurses and representatives of surgical teams for working together to reduce medical errors to ensure the improved health and safety of surgical patients.

EXPRESSING THE SENSE OF THE SENATE REGARDING THE MASSACRE AT SREBRENICA IN JULY 1995

Mr. FRIST. Madam President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Res. 134, and the Senate proceed to its immediate consideration.

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

The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 134) expressing the sense of the Senate regarding the massacre at Srebrenica in July 1995.

Whereas, in July 1995, thousands of men and boys who had sought safety in the United Nations-designated “safe area” of Srebrenica in Bosnia and Herzegovina under the protection of the United Nations Protection Force (UNPROFOR) were massacred by Serb forces operating in that country; Whereas, beginning in April 1992, aggression and ethnic cleansing perpetrated by Bosnian Serb forces, while taking control of the surrounding territory, resulted in a massive influx of Bosniaks seeking protection in Srebrenica and its environs, which the United Nations Security Council designated a “safe area” in Security Council Resolution 819 on April 16, 1993;
Whereas the UNPROFOR presence in Srebrenica consisted of a Dutch peacekeeping battalion, with representatives of the United Nations High Commissioner for Refugees and the International Committee of the Red Cross, and the humanitarian medical aid agency Medecins Sans Frontieres (Doctors Without Borders) helping to provide humanitarian assistance to the displaced population living in conditions of massive overcrowding, destitution, and disease;

Whereas Bosnian Serb forces blocked the enclave early in 1995, depriving the entire population of humanitarian aid and outside communication and contact, and effectively reduced the Dutch peacekeeping battalion to deter aggression or otherwise respond effectively to a deteriorating situation;

Whereas, beginning on July 6, 1995, Bosnian Serb forces attacked UNPROFOR outposts, seized control of the isolated enclave, held captured Dutch soldiers hostage and, after skirmishes with local defenders, ultimately took control of the town of Srebrenica on July 11, 1995;

Whereas an estimated one-third of the population of Srebrenica, including a relatively small number of soldiers, made a desperate attempt to pass through the lines of Bosnian Serb forces to the relative safety of Bosnian-held territory, but many were killed by patrols and ambushed;

Whereas the remaining population sought protection with the Dutch peacekeeping battalion, and others in the village of Potocari north of Srebrenica but many of these individuals were randomly seized by Bosnian Serb forces to be beaten, raped, or murdered;

Whereas Bosnian Serb forces deported women, children, and the elderly in buses, held for 16 years at collection points and sites in northeastern Bosnia and Herzegovina under their control, and then summarily murdered and buried the captives in mass graves;

Whereas approximately 20 percent of Srebrenica’s total population at the time—at least 7,000 and perhaps thousands more—was murdered;

Whereas the United Nations and its member states have largely acknowledged their failure to take actions and decisions that could have deterred the assault on Srebrenica and prevented the subsequent massacre, including the lengthy report issued in February of the Netherlands on April 10, 2002, entitled “Srebrenica, a ‘safe’ area—Reconstruction, background, consequences and analyses of the fall of a safe area”;

Whereas Bosnian Serb forces, hoping to conceal evidence of the massacre at Srebrenica, subsequently moved corpses from several mass grave sites to many secondary sites scattered throughout parts of northeastern Bosnia and Herzegovina under their control;

Whereas the massacre at Srebrenica was among the worst of many horrible atrocities to occur in the conflict in Bosnia and Herzegovina from April 1992 to November 1995, during which the policies of aggression and ethnic cleansing pursued by Bosnian Serb forces with the direct support of authorities in the Federal Republic of Yugoslavia (Serbia and Montenegro) ultimately led to the displacement of more than 2,000,000 people, an estimated 200,000 killed, tens of thousands raped or otherwise tortured in the most serious cases of Sarajevo and other urban centers repeatedly subjected to shelling and sniper attacks;

Whereas Article 2 of the Convention on the Prevention and Punishment of the Crime of Genocide, done at Paris December 9, 1948, and entered into force January 12, 1951, defines genocide as “any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such: (a) killing members of the group; (b) causing serious bodily or mental harm to members of the group; (c) deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part; (d) imposing measures intended to prevent births within the group; (e) forcibly transferring children of the group to another group”;

Whereas the United Nations Security Council adopted Security Council Resolution 827, establishing the world’s first international war crimes tribunal, the International Criminal Tribunal for the former Yugoslavia (ICTY), based in The Hague, the Netherlands, and charging the ICTY with responsibility for investigating and prosecuting individuals suspected of committing war crimes, genocide, crimes against humanity, and grave breaches of the 1949 Geneva Conventions on the territory of the former Yugoslavia since 1991;

Whereas numerous members of the Bosnian Serb forces and political leaders at various levels of responsibility have been indicted for grave breaches of the 1949 Geneva Conventions, violations of the laws or customs of war, crimes against humanity, genocide, and complicity in genocide associated with the massacre of whom have been tried and sentenced while others, including Radovan Karadzic and Ratko Mladic, remain at large; and

Whereas the international community, including the United States, has continued to provide personnel and resources, including through direct military intervention, to prevent further aggression and ethnic cleansing, to negotiate and help ensure the full implementation of the General Framework Agreement for Peace in Bosnia and Herzegovina, signed in Paris on November 21, 1995, and done at Paris December 14, 1995, including cooperation with the International Criminal Tribunal for the former Yugoslavia: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the thousands of innocent people murdered in Bosnia and Herzegovina in July 1995, along with all individuals who were victimized during the conflict in Bosnia and Herzegovina from 1992 to 1995, should be solemnly remembered and honored;

(2) the policies of aggression and ethnic cleansing as implemented by Serb forces in Bosnia and Herzegovina from 1992 to 1995, meet the terms defining the crime of genocide in Article 2 of the Convention on the Prevention and Punishment of the Crime of Genocide, done at Paris December 9, 1948, and entered into force January 12, 1951;

(3) foreign nationals, including United States citizens, who have risked, and in some cases lost, their lives in Bosnia and Herzegovina while working toward peace should be solemnly remembered and honored;

(4) the United Nations and its member states should accept their share of responsibility for allowing the Srebrenica massacre and genocide to occur in Bosnia and Herzegovina from 1992 to 1995 by failing to take sufficient, decisive, and timely action, and the United Nations and its member states should constantly seek to ensure that this failure is not repeated in future crises and conflicts;

(5) it is in the national interest of the United States that those individuals who are responsible for grave breaches of the 1949 Geneva Conventions committed in Bosnia and Herzegovina should be held accountable for their actions;

(6) all persons indicted by the International Criminal Tribunal for the former Yugoslavia (ICTY) should be apprehended and transferred to The Hague without further delay, and all countries should meet their obligations to cooperate fully with the ICTY at all times, and

(7) the United States should continue to support—

(A) the independence and territorial integrity of Bosnia and Herzegovina;

(B) peace and stability in southeastern Europe as a whole; and

(C) the right of all people living in southeastern Europe, regardless of national, racial, ethnic or religious background—

(i) to return to their homes and enjoy the benefits of democratic institutions, the rule of law, and economic opportunity; and

(ii) to know the fate of missing relatives and friends.

PATIENT NAVIGATOR OUTREACH AND CHRONIC DISEASE PREVENTION ACT OF 2005

Mr. FRIST. I ask unanimous consent the HELP Committee be discharged from consideration of H.R. 1812, and the Senate then proceed to its immediate consideration of the Senate amendments.

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

The clerk will report the bill by title. The legislative clerk read as follows:

A bill (H.R. 1812) to amend the Public Health Service Act to authorize a demonstration grant program to provide patient navigator services to reduce barriers and improve health care outcomes, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. FRIST. I ask unanimous consent the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statement be printed in the RECORD.

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

The bill (H.R. 1812) was read the third time and passed.

ORDERS FOR THURSDAY, JUNE 23, 2005

Mr. FRIST. Madam President, I ask unanimous consent when the Senate completes its business today, it stand in adjournment until 9 a.m. on Thursday, June 23. I further ask that following the prayer and pledge, the morning hour be deemed expired, and the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then resume consideration of H.R. 6, the Energy bill, provided that the time until 10 a.m. be equally divided between the chairman and the ranking member of the Energy Committee, or their designees; provided further that at 10 a.m. the Senate proceed to the cloture vote on the Energy bill.

Further ask that notwithstanding the provisions of rule XXII, the filing deadline for second-degree amendments occur at 9:45 a.m. tomorrow morning.
The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM
Mr. FRIST. Tomorrow, the Senate will resume consideration of the Energy bill. At 10 a.m. the Senate will proceed to the cloture vote on the bill. It is my hope and indeed my expectation that cloture will be invoked as we can move closer to passage. Following the cloture vote, we will continue working through amendments to the bill. Several amendments are currently pending, and a number of Senators filed amendments under the cloture deadline. I encourage Senators to show restraint in offering additional amendments. Again, we will complete action on this bill by the week’s end.

ADJOURNMENT UNTIL 9 A.M. TOMORROW
Mr. FRIST. If there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.
There being no objection, the Senate, at 10:21 p.m. adjourned until Thursday, June 23, 2005, at 9 a.m.
COMMENDING MEGAN TRISCARI FOR RECEIVING THE CHILD CARE WORKER OF THE YEAR AWARD

HON. BRIAN HIGGINS OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. HIGGINS. Mr. Speaker, I rise today to commend Megan Triscari, a resident of the Chautauqua County town of Jamestown, upon the occasion of her receiving the Child Care Worker of the Year award.

Megan was honored at the YMCA Camp Onyhasa’s annual meeting for her exemplary service and dedication to children. This honor was given based on her never ending commitment to her job.

Ms. Triscari has been known to report to work on snow days and even request to work extra shifts. This type of dedication is very rare in this day and age.

Megan has displayed extreme compassion, love and dedication to her work and the children she is entrusted with and I am proud, Mr. Speaker, to have an opportunity to honor her today.

THE AMERICAN LEGION SUPPORTS AUTHORIZATION OF PARKINSON’S DISEASE RESEARCH EDUCATION AND CLINICAL CENTERS

HON. LANE EVANS OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. EVANS. Mr. Speaker, the American Legion, which has 2.8 million members fully supports H.R. 2959, which will permanently authorize the Department of Veterans’ Affairs Parkinson’s disease Research, Education and Clinical Centers. The VA treats some 40,000 veterans who have this neuro-degenerative disease.

The letter from the American Legion follows:

THE AMERICAN LEGION

HON. LANE EVANS
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE EVANS: On behalf of the 2.8 million members of The American Legion, I would like to offer full support of H.R. 2959—“Authorization of Parkinson’s Disease Research Education and Clinical Centers”—permanently authorizing the six existing VA Parkinson’s Disease Research Education and Clinical Centers (PADRECCs).

Parkinson’s Disease is a debilitating neuro-degenerative disease that affects approximately 1.5 million Americans each year. The Department of Veteran Affairs (VA) currently treats more than 40,000 veterans with Parkinson’s disease. As the veteran population ages, the PADRECCs will become even more essential, not only for treatment, but for training health care professionals, conducting progressive research, and finding a cure. This bill will help to ensure that these veterans receive the best quality care.

Again, The American Legion fully supports H.R. 2959, “Authorization of Parkinson’s Disease Research Education and Clinical Centers” and we appreciate your dedication to this serious health issue.

Sincerely,

STEVE ROBERTSON,
Director,
National Legislative Commission.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2006

SPEECH OF
HON. CAROLYN C. KILPATRICK OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, June 20, 2005

The House in Committee of the Whole on the State of the Union had under consideration the bill (H.R. 2863) making appropriations for the Defense Department for the fiscal year ending September 30, 2006, and for other purposes:

Since 2003, Congress has appropriated almost $250 billion for the war efforts by passing supplemental appropriations bills in 2003, 2004 and 2005. U.S. spending in Iraq will be at least $75 billion to $80 billion this year and could approach $400 billion by 2006, according to Congressional Quarterly. This approaches the $406 billion cost of the Korean War. Last month we passed a fiscal year 2005 supplemental appropriation that totaled $82 billion; the second largest supplemental in history. Only one month has passed, and we find ourselves voting for another $45 billion for war funding for the first 6 months of the 2006 fiscal year.

Assuming the size of the U.S. military presence in Iraq and Afghanistan will remain at approximately the same level through 2006, the war costs will require another $40 to $45 billion. No money will be spent that is not directly related to the war. No money under the $45 billion supplemental portion of the bill will be spent on the Army’s modularity initiative or to increase the permanent end strength of active duty forces.

I am a strong advocate for developing a plan for withdrawing U.S. forces from Iraq. We should keep in mind that the FY05 supplemental contained language that requires the Defense Department to provide Congress with a set of performance indicators and measures of stability and security in Iraq and a timetable for achieving these goals. The first report is due in July. We look forward to how DoD will define its strategies for success.

This bill is framed principally by our missions in Afghanistan and Iraq. In my judgment the forces we have on the ground in Operations Enduring Freedom and Iraqi Freedom are doing a fabulous job, but the size of our Army and Marine Corps is just too small to do the job we are asking them to do. I hope the funds in the bill will provide for that shortfall. I support this bill in order to properly equip our troops with body armor, vehicle armor and other equipment to protect them from insurgent attacks. As much as I regret the War in Iraq, I cannot ignore the fact that we are a Nation at war. This bill recognizes and provides our troops with the tools they need to do their job.

PERSONAL EXPLANATION

HON. MIKE PENCE OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. PENCE. Mr. Speaker, I was detained late yesterday afternoon, but I am present, and I would have voted in the following manner: Rollcall 289 (Motion to Recommit with Instructions—H.R. 2475)—nay; Rollcall 290 (On Passage—H.R. 2475)—yea.

RECOGNIZING CROATIA’S NATIONAL DAY

HON. GEORGE RADANOVICH OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. RADANOVICH. Mr. Speaker, on behalf of the Hon. Peter J. Visclosky and myself, in our capacity as Co-chairs of the Congressional Croatian Caucus, on the occasion of National Day of the Republic of Croatia, June 25, I rise to recognize the significant progress the country of Croatia has made in gaining recognition and responsibility within the international community since its independence.

Croatia has come a long way in the last 14 years and has experienced a number of important developments in the process. Overcoming the legacies of communism and armed aggression, Croatia is now well on the path towards full membership in the Euro-Atlantic community. All these achievements mark Croatia’s successful transition in political and economic reforms to a thriving democracy and market economy, as well as depicting the Croatian Government’s commitment to the rule of law and human rights.

Croatia’s strategic objectives to enter NATO and the European Union, as well as strengthen and deepen its ties with the United States, are the driving forces behind its foreign and security policy, and defense reforms. Integration into the Euro-Atlantic Community will enable Croatia to assume a more active role within the community of democracies that share the same values, principles and interests. Active participation by Croatian military forces in the Collective Security Treaty Organization and the Partnership for Peace has made a significant contribution to an environment of stability and security in the region.
personnel in a number of peacekeeping operations worldwide, including the NATO-led mission in Afghanistan, displays Croatia’s credibility as a future NATO member state. Furthermore, Croatia has a track record of cooperation with NATO allies through the PIP.

Mr. Speaker, it is clearly in our national interest to achieve peace and stability in the region of Southeastern Europe. To this end, the role of the Croatian American community and their representatives in the nation’s capital, as an inherent component of the U.S.-Croatia partnership, cannot be overlooked. They represent a vital bridge between our two countries in order to strengthen deep historical and cultural links between the United States and Croatia since 1783. Special recognition should be given to the current Croatian government under the leadership of Dr. Ivo Sanader to solidify Croatia’s place within the community of democratic nations and to move the country forward to becoming a model of stability, peace and cooperation throughout Southeastern Europe.

IN RECOGNITION OF FORT WORTH METROPOLITAN BLACK CHAMBER OF COMMERCE’S 25TH ANNIVERSARY

HON. MICHAEL C. BURGESS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. BURGESS. Mr. Speaker, it is my great honor that I rise today to recognize the Fort Worth Metropolitan Black Chamber of Commerce (FWMBCC)’s 25 years of devoted service to the enhancement of the economic development in the African American community in my district. Since its founding in 1979, the FWMBCC—a part of the Fort Worth Metropolitan Black Chamber of Commerce (FWMBCC) in my district. Since its founding in 1979, the FWMBCC—has worked tirelessly to better respond to the emerging charitable needs. The Foundation helps improve the quality of life and build a more cohesive community by supporting local nonprofit organizations with grants and technical assistance.

Spurred by her leadership, the Foundation made a radical change in its mission by diversifying its Board of Governors, its staff and its grant-making focus to better respond to the needs of Miami-Dade’s greatest asset and our most intractable challenge: the incredible ethnic diversity of our community. They review the grants they award from the standpoint of their impact on the issue of cultural alienation and the need to help people work successfully across ethnic barriers. Empowerment and seed funding for emerging groups, based in the diverse multicultural communities of Miami-Dade, are the hallmark of their grant-making program.

In addition to her two decades of leadership at the Dade Community Foundation, Ruth Shack has also served three very productive terms on the Dade County Commission and in leadership capacities in numerous other organizations, both locally and across the country. Throughout her career she has demonstrated a profound commitment to making Miami a community where opportunity is available to everyone.

Mr. Speaker, I know that I speak for our entire community in congratulating and thanking Ruth Shack for 20 years at the helm of the Dade Community Foundation.
buried targets. I also understand that the funding provided within this bill for B2 bomber integration efforts is also intended for non-nuclear earth penetrators.

Last month, the National Academy of Sciences concluded that the use of a nuclear "bunker buster" would cause massive civilian casualties. If we have learned anything, it is that assuming we can overcome serious design problems and assuming we can live with the consequences of putting U.S. troops in danger from radioactive fallout if we ever used an RNEP or a similar weapon.

In the past, Utahns suffering from cancer as a result of radioactive fallout exposure had to wait to receive compensation because federal funds ran out. It's wrong to spend precious dollars on unusable fantasy weapons that our military doesn't seem to need or want.

We live in an era when terrorism and national security concerns dominate the political landscape, as well they should. We should focus limited funding dollars on usable warheads that can actually make a difference in combating our enemies.

I have always been a strong supporter of the military and I'm well aware of the unconventional war we face against terrorists. However, the threats we face as a nation provide the best reason for Congress to fund only the best usable weaponry to support American soldiers.

Many of my colleagues in the House recognize the importance of this issue and they share my concerns about competing efforts in the Senate to fund RNEP. I hope that during conference negotiations on this bill, the confreres maintain this language.

INTRODUCTION OF A BILL TO SUSPEND THE DUTY ON CERTAIN EDUCATIONAL TOYS AND DEVICES

HON. WALLY HERGER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. HERGER. Mr. Speaker, I rise today to introduce a bill to suspend the duty on electronic educational toys for children. This duty is, in fact, an educational tax on the consumer. At a time when we as policymakers are focusing on ways to enhance education for our children, it is important to aggressively promote tools that are valuable in teaching fundamental skills. Penalizing the consumer for buying educational toys is contrary to the country's educational goals.

Currently, computers and toys enter the United States duty free. But electronic educational toys that are valuable in teaching fundamental skills, study world view conflicts and strategies, network with outstanding leaders, and pursue careers in influential sectors of society.

The Leadership Training Institute of America trains and equips young men and women to be leaders with high standards of personal morality and integrity. The participants are exposed to the major philosophies, views, and issues of our world today and are encouraged to become leaders with convictions built on scientific knowledge, historical record, and Biblical wisdom.

Our Nation is in great need of young men and women of character to lead in every arena of our society. The Leadership Training Institute of America encourages students to use their talents and abilities to set a standard of excellence in their homes, schools, businesses, or whatever profession they might pursue to establish a new standard of excellence and integrity for the next generation.

It is with great appreciation that I rise today to commend the vision and accomplishments of this outstanding organization. I salute the dedicated staff of the Leadership Training Institute of America and encourage its increased influence among our Nation's youth.

USA PATRIOT ACT

HON. C.L. "BUTCH" OTTER
OF IDAHO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. OTTER. Mr. Speaker, please allow me to express my great respect and support for the manner in which Chairman SENSENBERGER managed the recent hearings of the Judiciary Committee. Chairman SENSENBERGER's candor, attention to detail, diligence, and fairness serve as a promise of the faith he had in our Constitution to which the wise and the honest can repair. We live in an era when terrorism and national security concerns dominate the political landscape, as well they should. We should focus limited funding dollars on usable warheads that can actually make a difference in combating our enemies.

I have always been a strong supporter of the military and I'm well aware of the unconventional war we face against terrorists. However, the threats we face as a nation provide the best reason for Congress to fund only the best usable weaponry to support American soldiers.

Many of my colleagues in the House recognize the importance of this issue and they share my concerns about competing efforts in the Senate to fund RNEP. I hope that during conference negotiations on this bill, the confreres maintain this language.

INTRODUCTION OF A BILL TO SUSPEND THE DUTY ON CERTAIN EDUCATIONAL TOYS AND DEVICES

HON. WALLY HERGER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. HERGER. Mr. Speaker, I rise today to introduce a bill to suspend the duty on electronic educational toys for children. This duty is, in fact, an educational tax on the consumer. At a time when we as policymakers are focusing on ways to enhance education for our children, it is important to aggressively promote tools that are valuable in teaching fundamental skills. Penalizing the consumer for buying educational toys is contrary to the country's educational goals.

Currently, computers and toys enter the United States duty free. But electronic educational toys have a duty. This duty is inevitably passed on to the consumer. We do not want to create a situation where a consumer who is less inclined to buy educational toys versus a regular toy, which has not had to absorb the cost of the duty.

The company leading the fight to eliminate the tax on electronic educational toys is a California company, LeapFrog Enterprises, Inc. LeapFrog is an innovative company and a leading developer of educational products, currently employing 1,000 people in my state. I hope my colleagues will join me in this effort to end an unwise tax on education.

LEADERSHIP TRAINING INSTITUTE OF AMERICA

HON. MICHAEL C. BURGESS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. BURGESS. Mr. Speaker, I rise today to pay tribute to the Leadership Training Institute of America, the leading training program for students seeking instruction in personal development in leadership and character. Their training teaches students the necessary tools to lead the next generation of young Americans in the traditions, principles and wisdom imparted to us by our founding fathers. The quality of this training assures me of America's bright future as the leader of the world.

The Leadership Training Institute of America is a cultural think tank providing training and opportunity in leadership development and cultural dynamics. This organization encourages youth to apply and excel in leadership and critical thinking skills. This training and knowledge are needed to lead the next generation of young Americans in the traditions, principles and wisdom imparted to us by our founding fathers. The quality of this training assures me of America's bright future as the leader of the world.

The Leadership Training Institute of America trains and equips young men and women to be leaders with high standards of personal morality and integrity. The participants are exposed to the major philosophies, views, and issues of our world today and are encouraged to become leaders with convictions built on scientific knowledge, historical record, and Biblical wisdom.

Our Nation is in great need of young men and women of character to lead in every arena of our society. The Leadership Training Institute of America encourages students to use their talents and abilities to set a standard of excellence in their homes, schools, businesses, or whatever profession they might pursue to establish a new standard of excellence and integrity for the next generation.

It is with great appreciation that I rise today to commend the vision and accomplishments of this outstanding organization. I salute the dedicated staff of the Leadership Training Institute of America and encourage its increased influence among our Nation's youth.
restriction on American farmers and allow them to grow industrial hemp in accord with State law.

Industrial hemp is a crop that was grown legally throughout the United States for most of our Nation’s history. In fact, during World War II, the Federal government actively encouraged American farmers to grow industrial hemp to help the war effort. The Department of Agriculture even produced a film “Hemp for Victory” encouraging the plant’s cultivation.

In recent years, the hemp plant has been put to many popular uses in foods and in industry. Grocery stores sell hemp seeds and oil as well as food products containing oil and seeds from the hemp plant. Industrial hemp is also included in consumer products such as paper, clothes, cosmetics, and carpet. One of the more innovative recent uses of industrial hemp is in the door frames of about 1.5 million cars. Hemp has even been used in alternative automobile fuel.

It is unfortunate that the Federal government has stood in the way of American farmers, including many who are struggling to make ends meet, competing in the global industrial hemp market. Indeed, the founders of our Nation, some of whom grew hemp, would surely find that Federal restrictions on farmers growing a safe and profitable crop on their own land are inconsistent with the constitutional guarantee of a limited, restrained Federal government. Therefore, I urge my colleagues to stand up for American farmers and cosponsor the Industrial Hemp Farming Act.

IN HONOR OF THE TOWN OF PHELPS

HON. MARK GREEN
OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. GREEN of Wisconsin. Mr. Speaker, today I’d like to recognize the Town of Phelps, which this year celebrates 100th anniversary. Phelps is located within the Nicolet National Forest, and is home to some of the most forested and beautiful parts of the State.

Charles Hackley, William Phelps and John Bonnell, three founders, founded the Town of Phelps in 1905. Their hard work set the standard high for residents, and these days the town can pride itself on a strong work ethic, upholding family values, and continually moving forward—exemplifying Wisconsin’s State motto.

Over the years, the small towns and villages that blanket Wisconsin have demonstrated how truly unique and wonderful our State is. The Town of Phelps is no exception. It is a tightknit community and its charm entices scores of visitors every year.

Mr. Speaker, I am honored and pleased to recognize the Town of Phelps on this historic day. One hundred years is a very special accomplishment, and on behalf of the residents of Wisconsin’s 8th Congressional District, and the U.S. Congress, we say congratulations.

PERSONAL EXPLANATION

HON. ROB SIMMONS
OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. SIMMONS. Mr. Speaker, I was regretfully delayed in my return to Washington, DC from an official visit to Kings Bay, Georgia and was unable to be on the House Floor for roll call votes 274 to 282.

Had I been present, I would have voted “yea” on rollcall 274, an amendment offered by Mr. ROYCE; “yea” on rollcall 275, an amendment offered by Mr. FORTENBERRY; “yea” on rollcall 276, an amendment offered by Mr. FLAKE; “yea” on rollcall 277, an amendment offered by Mr. CHABOT and Mr. LANTOS; “yea” on rollcall 278, an amendment offered by Mr. PENCE; “nay” on rollcall 279, an amendment offered by Mr. GOHMERT; “nay” on rollcall 280, an amendment offered by Mr. STEARNS; “yea” on rollcall 281, the Lantos/ Shays substitute; and “yea” on rollcall 282, final passage on H.R. 2745.

COMMENDING MARILYN GERACE FOR RECEIVING THE MORGAN GRADUATE AWARD

HON. BRIAN HIGGINS
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. HIGGINS. Mr. Speaker, I rise today to commend the exemplary educational achievement of Marilyn Gerace, a resident of the Chautauqua County town of Jamestown, upon the occasion of receiving the Morgan Graduate Award.

Ms. Gerace, a Professor of Criminal Justice at Jamestown Community College was awarded the Morgan Graduate Award upon graduation from Buffalo State College with a Master’s Degree. This award is presented to the top master’s degree student in the field of Criminal Justice. This student must demonstrate integrity, academic excellence and community service.

Not only is Ms. Gerace an excellent student but she is also very active in her community. She has served as the Elliot town justice since 1992 and also as the secretary/treasurer of the Chautauqua County Magistrates Association since 1993. Marilyn is also a member of the Chautauqua Regional Youth Ballet board of directors, the county and state magistrates associations, the Chautauqua County Integrated Domestic Violence Court Team, and Jamestown Community College’s adjunct faculty task force.

In addition to receiving the Morgan Graduate Award, Ms. Gerace also was presented with the President’s Award for Excellence from Jamestown Community College.

Ms. Gerace has excelled both in the classroom and also in her community and I am proud, Mr. Speaker, to have an opportunity to honor her today.

THE ONE YEAR ANNIVERSARY OF THE RE-ELECTION OF TAIWAN PRESIDENT CHEN SHUI-BIAN

HON. JOHN SULLIVAN
OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES
Wednesday, June 22, 2005

Mr. SULLIVAN. Mr. Speaker, one year ago Chen Shui-bian was re-elected as President of Taiwan. The election was evidence that Taiwan is a vibrant democracy in an area of the world where totalitarianism is still the rule for the vast majority of the people in East Asia.

I want to take this opportunity to acknowledge the one year anniversary of President Chen’s re-election, to offer my congratulations to the people of Taiwan and to reflect on the current state of affairs on Taiwan and across the Taiwan straits with China.

Earlier this year China passed its anti-secession law, codifying the use of force if Taiwan moves toward independence. At the moment, there is a heated debate on Taiwan regarding the recent visits of Taiwan’s two opposition leaders to China. This debate is further evidence of the strength of Taiwan’s democracy. President Chen and other opponents of reunification have been steadfast in demanding that the people of Taiwan must be safeguarded. I am confident President Chen will not waiver on his longstanding position of protecting Taiwan.

Mr. Speaker, Americans treasure our affiliations and relations with Taiwan just as we admire Taiwan’s political and economic achievements of the last two decades. Taiwan today is a beacon of democracy and an island of prosperity to many developing countries in East Asia and throughout the world.

The Taiwanese people, as Americans know, strongly value their democratic way of life and their independence. It is vital that no action be taken which would compromise these long cherished principles which were developed after decades of hard work. I applaud President Chen for pointing out the critical differences between democratic Taiwan and autocratic China and the importance of conducting direct talks by elected leaders in Taiwan and China.

Mr. Speaker, while we do not know when the leader of Taiwan and the leader of China will have direct talks, I believe it is critical for China to immediately withdraw its missiles which are deployed on the other side of the Taiwan Strait and establish stable mechanisms for cross-strait interaction. These actions will go a long way toward reaching a permanent peace and creating sustainable development in the Taiwan Strait.
### SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, June 23, 2005, may be found in the Daily Digest of today’s RECORD.

### MEETINGS SCHEDULED JUNE 28

<table>
<thead>
<tr>
<th>Time</th>
<th>Committee</th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 a.m.</td>
<td>Agriculture, Nutrition, and Forestry</td>
<td>To hold hearings to examine the Agricultural Risk Protection Act of 2000 and related crop insurance issues.</td>
</tr>
<tr>
<td>10 a.m.</td>
<td>Commerce, Science, and Transportation</td>
<td>To hold hearings to examine the status of the U.S. Army and U.S. Marine Corps in fighting the global war on terrorism.</td>
</tr>
<tr>
<td>2 p.m.</td>
<td>Aging</td>
<td>To hold hearings to examine issues relative to Medicaid.</td>
</tr>
<tr>
<td>9:30 a.m.</td>
<td>Armed Services</td>
<td>To hold hearings to examine the nominations of General P. Pace, USMC, for reappointment to the grade of general, and to be Chairman, Joint Chiefs of Staff, General T. Michael Moseley, USAF, for reappointment to the grade of general, and to be Chief of Staff of the Air Force, Eric S. Edelman, of Virginia, to be Under Secretary of Defense for Policy, Daniel R. Stewart, of Kansas, to be Assistant Secretary of Defense for Legislative Affairs, and James A. Riposi, of Virginia, to be Assistant Secretary of Energy for Environmental Management.</td>
</tr>
<tr>
<td>9:50 a.m.</td>
<td>Indian Affairs</td>
<td>To hold business meeting to consider pending committee issues.</td>
</tr>
<tr>
<td>10 a.m.</td>
<td>Commerce, Science, and Transportation</td>
<td>To hold hearings to examine Spectrum DTV.</td>
</tr>
<tr>
<td>10 a.m.</td>
<td>Homeland Security and Governmental Affairs</td>
<td>Oversight of Government Management, the Federal Workforce, and the District of Columbia Subcommittee</td>
</tr>
<tr>
<td>10 a.m.</td>
<td>Veterans' Affairs</td>
<td>To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the American Legion.</td>
</tr>
<tr>
<td>11 a.m.</td>
<td>Energy and Natural Resources</td>
<td>To hold hearings to examine the water supply status in the Pacific Northwest and its impact on water production, and S. 948, to amend the Reclamation States Emergency Drought Relief Act of 1991 to extend the authority for drought assistance.</td>
</tr>
</tbody>
</table>

### CANCELLATIONS JUNE 28

<table>
<thead>
<tr>
<th>Time</th>
<th>Committee</th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 p.m.</td>
<td>Energy and Natural Resources Water and Power Subcommittee</td>
<td>To hold hearings to examine the status of the U.S. Army and U.S. Marine Corps in fighting the global war on terrorism.</td>
</tr>
</tbody>
</table>

### CANCELLATIONS SEPTEMBER 20

<table>
<thead>
<tr>
<th>Time</th>
<th>Committee</th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 a.m.</td>
<td>Veterans' Affairs</td>
<td>To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the American Legion.</td>
</tr>
<tr>
<td>3 p.m.</td>
<td>Energy and Natural Resources</td>
<td>To hold hearings to examine the status of the U.S. Army and U.S. Marine Corps in fighting the global war on terrorism.</td>
</tr>
</tbody>
</table>

### CANCELLATIONS JUNE 28

<table>
<thead>
<tr>
<th>Time</th>
<th>Committee</th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 p.m.</td>
<td>Energy and Natural Resources</td>
<td>To hold hearings to examine the status of the U.S. Army and U.S. Marine Corps in fighting the global war on terrorism.</td>
</tr>
</tbody>
</table>

### CANCELLATIONS SEPTEMBER 20

<table>
<thead>
<tr>
<th>Time</th>
<th>Committee</th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 a.m.</td>
<td>Veterans' Affairs</td>
<td>To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the American Legion.</td>
</tr>
</tbody>
</table>

### CANCELLATIONS JUNE 28

<table>
<thead>
<tr>
<th>Time</th>
<th>Committee</th>
<th>Agenda</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 p.m.</td>
<td>Energy and Natural Resources</td>
<td>To hold hearings to examine the status of the U.S. Army and U.S. Marine Corps in fighting the global war on terrorism.</td>
</tr>
</tbody>
</table>
Wednesday, June 22, 2005

Daily Digest

Highlights

The House passed H.J. Res. 10, proposing a Constitutional amendment authorizing the Congress to prohibit the physical desecration of the flag.

Senate

Chamber Action

Routine Proceedings, pages S6979–S7201

Measures Introduced: Five bills and one resolution were introduced, as follows: S. 1285–1289, and S. Res. 179. Page S7070

Measures Reported:

S. 260, to authorize the Secretary of the Interior to provide technical and financial assistance to private landowners to restore, enhance, and manage private land to improve fish and wildlife habitats through the Partners for Fish and Wildlife Program, with amendments. (S. Rept. No. 109–86) Page S7069

Measures Passed:

Sigma Chi Fraternity Anniversary: Committee on the Judiciary was discharged from further consideration of H. Con. Res. 163, honoring the Sigma Chi Fraternity on the occasion of its 150th Anniversary, and the resolution was then agreed to. Page S7198

Congratulating Small Business Development Centers: Committee on Small Business and Entrepreneurship was discharged from further consideration of S. Res. 165, congratulating the Small Business Development Centers of the Small Business Administration on their 25 years of service to America’s small business owners and entrepreneurs, and the resolution was then agreed to. Pages S7198–99

National Time Out Day: Committee on Health, Education, Labor and Pensions was discharged from further consideration of S. Res. 40, supporting the goals and ideas of National Time Out Day to promote the adoption of the Joint Commission on Accreditation of Healthcare Organizations’ universal protocol for preventing errors in the operating room, and the resolution was then agreed to. Page S7199

Massacre at Srebrenica: Committee on Foreign Relations was discharged from further consideration of S. Res. 134, expressing the sense of the Senate regarding the massacre at Srebrenica in July 1995, and the resolution was then agreed to. Pages S7199–S7200

Patient Navigator Services: Committee on Health, Education, Labor and Pensions was discharged from further consideration of H.R. 1812, to amend the Public Health Service Act to authorize a demonstration grant program to provide patient navigator services to reduce barriers and improve health care outcomes, and the resolution was then agreed to.

Energy Policy Act: Senate continued consideration of H.R. 6, to ensure jobs for our future with secure, affordable, and reliable energy, taking action on the following amendments proposed thereto:

Adopted:

Byrd Amendment No. 869, to amend the Internal Revenue Code of 1986 to provide relief from high gas prices. Pages S6992–94

Bingaman/Specter Modified Amendment No. 866, to express the sense of the Senate on climate change legislation. (By 44 yeas to 53 nays (Vote No. 149), Senate earlier failed to table the amendment.) Pages S7033–37

Frist (for Obama) Amendment No. 978, to clarify the definition of coal to liquid fuel technology. Page S7059

Frist (for Hatch/Salazar) Amendment No. 979, to promote oil shale and tar sands development. Page S7059

Frist (for Jeffords) Amendment No. 818, to commission a study for the roof of the Dirksen Senate
Office Building in a manner that facilitates the incorporation of energy efficient technology and amends the Master Plan for the Capitol complex.  

Frist (for Stabenow) Amendment No. 980, to require an investigation of gasoline prices.  

Frist (for Kohl) Amendment No. 981, require the Secretary and the Administrator for Small Business to coordinate assistance with the Secretary of Commerce for manufacturing related efforts.  

Frist (for Clinton/Allard) Amendment No. 835, to establish a National Priority Project Designation.  

Frist (for Murkowski) Amendment No. 787, to make Alaska Native Corporations eligible for renewable energy production incentives.  

Frist (for Voinovich/DeWine) Amendment No. 822, to promote fuel efficient engine technology for aircraft.  

Frist (for Alexander) Amendment No. 982, to require the Secretary to conduct a study of best management practices for energy research and development programs.  

Frist (for Jeffords) Amendment No. 983, to expand the types of qualified renewable energy facilities that are eligible for a renewable energy production incentive.  

Frist (for Dodd) Amendment No. 861, to require the Secretary to enter into a contract with the National Academy of Sciences to determine the effect of electrical contaminants on the reliability of energy production systems.  

Frist (for Dorgan) Amendment No. 850, to modify the section relating to the establishment of a National Power Plant Operations Technology and Education Center.  

Frist (for Cornyn) Amendment No. 984, to require the Secretary to establish a program of research, development, demonstration, and commercial application to maximize the productive capacity of marginal wells and reservoirs.  

Frist (for Levin) Amendment No. 864, to ensure that cost-effective procedures are used to fill the Strategic Petroleum Reserve.  

Frist (for Pryor) Amendment No. 798, to require the submission of reports on the potential for biodiesel and hythane to be used as major, sustainable, alternative fuels.  

Frist (for Boxer) Amendment No. 870, to require the Federal Energy Regulatory Commission to complete its investigation and order refunds on the unjust and unreasonable rates charged to California during the 2000–2001 electricity crisis.  

Frist (for Levin) Amendment No. 927, to provide a budget roadmap for the transition from petroleum to hydrogen in vehicles by 2020.  

Frist (for Hutchison) Amendment No. 985, to make petroleum coke gasification projects eligible for certain loan guarantees.  

Frist (for Murkowski) Amendment No. 786, to make energy generated by oceans eligible for renewable energy production incentives and to modify the definition of the term “renewable energy” to include energy generated by oceans for purposes of the Federal purchase requirement.  

Frist (for Jeffords) Amendment No. 986, to authorize the Secretary of Energy to make grants to increase energy efficiency, promote siting or upgrading of transmission and distribution lines, and providing or modernizing electric facilities in rural areas.  

Frist (for Alexander) Amendment No. 987, to require the Secretary to conduct a study on passive solar technologies.  

Frist (for Harkin) Amendment No. 988, to require the Secretary to conduct a 3-year program of research, development, and demonstration on the use of ethanol and other low cost transportable renewable feedstocks as intermediate fuels for the safe, energy efficient, and cost-effective transportation of hydrogen.  

Frist (for Domenici) Amendment No. 989, to improve the bill.  

Frist (for Grassley/Baucus) Modified Amendment No. 933, to provide a manager's amendment.  

Rejected:  

Feinstein Amendment No. 841, to prohibit the Commission from approving an application for the authorization of the siting, construction, expansion, or operation of facilities located onshore or in State waters for the import of natural gas from a foreign country or the export of natural gas to a foreign country without the approval of the Governor of the State in which the facility would be located. (By 52 yeas to 45 nays (Vote No. 146), Senate tabled the amendment.)  

Schumer Modified Amendment No. 805, to express the sense of the Senate regarding management of the Strategic Petroleum Reserve to lower the burden of gasoline prices on the economy of the United States and circumvent the efforts of OPEC to reap windfall profits. (By 57 yeas to 39 nays (Vote No. 147), Senate tabled the amendment.)
By 38 yeas to 60 nays (Vote No. 148), McCain/Lieberman Modified Amendment No. 826, to provide for a program to accelerate the reduction of greenhouse gas emissions in the United States. Pages S6980, S6997–S7029

By 32 yeas to 63 nays (Vote No. 150), Alexander Amendment No. 961, to provide for local control for the siting of windmills. Pages S7028–42, S7047–48

By 46 yeas to 49 nays (Vote No. 151), Kerry Amendment No. 844, to express the sense of the Senate regarding the need for the United States to address global climate change through comprehensive and cost-effective national measures and through the negotiation of fair and binding international commitments under the United Nations Framework Convention on Climate Change. Pages S7042–46, S7048

Withdrawn:
Warner Amendment No. 972, to provide for gas-only leases and State requests to examine energy areas on the Outer Continental Shelf. Pages S7049–52

Pending:
Wyden/Dorgan Amendment No. 792, to provide for the suspension of strategic petroleum reserve acquisitions. Page S6980

Reid (for Lautenberg) Amendment No. 839, to require any Federal agency that publishes a science-based climate change document that was significantly altered at White House request to make an unaltered final draft of the document publicly available for comparison. Pages S6980, S7046–47

Schumer Amendment No. 811, to provide for a national tire fuel efficiency program. Pages S6994–95

A unanimous-consent agreement was reached providing that not withstanding the provisions of Rule 22, the filing deadline for second-degree amendments occur at 9:45 a.m., on Thursday, June 23, 2005. Pages S7200–7201

A unanimous-consent agreement was reached providing for further consideration of the bill at 9 a.m., on Thursday, June 23, 2005, with a vote on the motion to invoke cloture to occur at 10 a.m. Page S7201

Messages From the House:
Page S7068

Executive Communications:
Page S7069

Executive Reports of Committees:
Pages S7069–70

Additional Cosponsors:
Pages S7070–72

Statements on Introduced Bills/Resolutions:
Pages S7072–76

Additional Statements:
Pages S7067–68

Amendments Submitted:
Pages S7076–S7197

Notices of Hearings/Meetings:
Page S7197

Authority for Committees to Meet:
Pages S7197–98

Privilege of the Floor:
Page S7198

Record Votes: Six record votes were taken today. (Total—151) Pages S6992, S6996–97, S7029, S7037, S7048

Adjournment: Senate convened at 9:30 a.m., and adjourned at 10:21 p.m. until 9 a.m., on Thursday, June 23, 2005. (For Senate's program, see the remarks of the Majority Leader in today's Record on page S7201.)

Committee Meetings

(Committees not listed did not meet)

NOMINATION

Committee on Agriculture, Nutrition, and Forestry: Committee concluded a hearing to examine the nomination of Richard A. Raymond, of Nebraska, to be Under Secretary of Agriculture for Food Safety, after the nominee, who was introduced by Senator Hagel, testified and answered questions in his own behalf.

USDA LIVESTOCK REPORTING

Committee on Agriculture, Nutrition, and Forestry: Committee concluded a hearing to examine the Livestock Mandatory Reporting Act of 1999, focusing on the reporting program that requires large packers and importers to report to USDA the details of their transactions involving purchases of livestock, as well as sales of boxed beef, boxed lamb, lamb carcasses, and imported lamb cuts, after receiving testimony from Kenneth C. Clayton, Acting Administrator, Agricultural Marketing Service, Marketing and Regulatory Programs, Department of Agriculture; Harold Hommes, Iowa Department of Agriculture and Land Stewardship, Windsor Heights; Jon Caspers, Pleasant Valley Pork Corporation, Swaledale, Iowa, on behalf of the National Pork Producers Council; J. Patrick Boyle, American Meat Institute, Washington, D.C.; and James G. Robb, Livestock Marketing Information Center, Lakewood, Colorado.

BUSINESS MEETING

Committee on Foreign Relations: Committee ordered favorably reported the nominations of Ronald E. Neumann, of Virginia, to be Ambassador to the Islamic Republic of Afghanistan, Gregory L. Schulte, of Virginia, to be U.S. Representative to the Vienna Office of the United Nations, with the rank of Ambassador, and to be U.S. Representative to the International Atomic Energy Agency, with the rank of Ambassador, Michael E. Hess, of New York, to be an Assistant Administrator of the United States Agency for International Development in the Bureau of Democracy, Conflict and Humanitarian Assistance, Dina Habib Powell, of Texas, to be Assistant Secretary of State for Educational and Cultural Affairs, Larry Miles Dinger, of Iowa, to be Ambassador to
the Republic of the Fiji Islands, and to serve concurrently and without additional compensation as Ambassador to the Republic of Nauru, the Kingdom of Tonga, Tuvalu, and the Republic of Kiribati, Joseph A. Mussomeli, of Virginia, to be Ambassador to the Kingdom of Cambodia, and Emil A. Skodon, of Illinois, to be Ambassador to Brunei Darussalam.

BUSINESS MEETING

Committee on Homeland Security and Governmental Affairs: Committee ordered favorably reported the following business items:

S. 662, to reform the postal laws of the United States, with an amendment in the nature of a substitute;

S. 457, to require the Director of the Office of Management and Budget to issue guidance for, and provide oversight of, the management of micropurchases made with Governmentwide commercial purchase cards, with amendments;

S. 611, to establish a Federal Interagency Committee on Emergency Medical Services and a Federal Interagency Committee on Emergency Medical Services Advisory Council;

S. 37, to extend the special postage stamp for breast cancer research for 2 years;

H.R. 1460, to designate the facility of the United States Postal Service located at 6200 Rolling Road in Springfield, Virginia, as the “Captain Mark Stubenhofer Post Office Building”;

S. 590 and H.R. 1236, bills to designate the facility of the United States Postal Service located at 750 4th Street in Sparks, Nevada, as the “Mayor Tony Armstrong Memorial Post Office”;

S. 571, to designate the facility of the United States Postal Service located at 1915 Fulton Street in Brooklyn, New York, as the “Congresswoman Shirley A. Chisholm Post Office Building”;

S. 892 and H.R. 324, bills to designate the facility of the United States Postal Service located at 321 Montgomery Road in Altamonte Springs, Florida, as the “Arthur Stacey Mastrapa Post Office Building”;

S. 867 and H.R. 289, bills to designate the facility of the United States Postal Service located at 8200 South Vermont Avenue in Los Angeles, California, as the “Sergeant First Class John Marshall Post Office Building”;

S. 1207 and H.R. 120, bills to designate the facility of the United States Postal Service located at 30777 Rancho California Road in Temecula, California, as the “Dalip Singh Saund Post Office Building”;

S. 775, to designate the facility of the United States Postal Service located at 123 W. 7th Street in Holdenville, Oklahoma, as the “Boone Pickens Post Office”;

S. 1206 and H.R. 504, bills to designate the facility of the United States Postal Service located at 4960 West Washington Boulevard in Los Angeles, California, as the “Ray Charles Post Office Building”;

H.R. 1001, to designate the facility of the United States Postal Service located at 301 South Heatherwilde Boulevard in Pflugerville, Texas, as the “Sergeant Byron W. Norwood Post Office Building”;

H.R. 1072, to designate the facility of the United States Postal Service located at 151 West End Street in Goliad, Texas, as the “Judge Emilio Vargas Post Office Building”;

S. 904, to designate the facility of the United States Postal Service located at 1560 Union Valley Road in West Milford, New Jersey, as the “Brian P. Parrello Post Office Building”;

H.R. 1542, to designate the facility of the United States Postal Service located at 695 Pleasant Street in New Bedford, Massachusetts, as the “Honorable Judge George N. Leighton Post Office Building”;

H.R. 1082, to designate the facility of the United States Postal Service located at 120 East Illinois Avenue in Vinita, Oklahoma, as the “Francis C. Goodpaster Post Office Building”;

H.R. 1524, to designate the facility of the United States Postal Service located at 12433 Antioch Road in Overland Park, Kansas, as the “Ed Eilert Post Office Building”;

H.R. 627, to designate the facility of the United States Postal Service located at 40 Putnam Avenue in Hamden, Connecticut, as the “Linda White-Epps Post Office”;

H.R. 2326, to designate the facility of the United States Postal Service located at 614 West Old County Road in Belhaven, North Carolina, as the “Floyd Lupton Post Office”; and

The nominations of Linda Morrison Combs, of North Carolina, to be Controller, Office of Federal Financial Management, Office of Management and Budget, Linda M. Springer, of Pennsylvania, to be Director of the Office of Personnel Management, Laura A. Cordero, to be an Associate Judge of the Superior Court of the District of Columbia, and A. Noel Anketell Kramer, to be an Associate Judge of the District of Columbia Court of Appeals.

TRIBAL LOBBYING MATTERS

Committee on Indian Affairs: Committee held an oversight hearing to examine the In Re Tribal Lobbying Matters, et al, receiving testimony from Charlie Ben, Donald Kilgore, and Nell Rogers, all of the Mississippi Band of Choctaw Indians, Choctaw; Amy Moritz Ridenour, National Center for Public Policy
Research, Washington, D.C.; and certain protected witnesses.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 23 public bills, H.R. 3020–3042; and 4 resolutions, H. Con. Res. 184–187 were introduced.

Reports Filed: Reports were filed today as follows:

Report on the Revised Suballocation of Budget Allocations for Fiscal Year 2006 (H. Rept. 109–145);

H.R. 1316, to amend the Federal Election Campaign Act of 1971 to repeal the limit on the aggregate amount of campaign contributions that may be made by individuals during an election cycle, to repeal the limit on the amount of expenditures political parties may make on behalf of their candidates in general elections for Federal office, to allow State and local parties to make certain expenditures using nonfederal funds, to restore certain rights to exempt organizations under the Internal Revenue Code of 1986, amended (H. Rept. 109–146);

H.R. 1158, to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1988 (H. Rept. 109–147); and

H. Res. 337, a resolution providing for consideration of the bill (H.R. 3010) making appropriations for the fiscal year ending September 30, 2006, and for other purposes (H. Rept. 109–148).

Chaplain: The prayer was offered today by Rev. Dr. Richard Lapehn, Pastor, Milton Presbyterian Church in Rittman, Ohio.

Constitutional Amendment to Prohibit Flag Desecration: The House agreed to H.J. Res. 10, proposing an amendment to the Constitution of the United States authorizing the Congress to prohibit the physical desecration of the flag of the United States, by a 2/3 yea and nay vote of 286 yeas to 130 nays, Roll No. 296.

Agreed to table the appeal of a point of order sustained against the Taylor of Mississippi motion to recommit the bill to the Committee on the Judiciary with instructions to report the bill back to the House forthwith with amendments, by a recorded vote of 222 ayes to 194 noes, Roll No. 294.

Agreed to table the appeal of a point of order sustained against the Taylor of Mississippi motion to recommit the bill to the Judiciary with instructions to report the bill back to the House forthwith with amendments, by a recorded vote of 222 ayes to 190 noes, Roll No. 295.

Rejected:

Watt amendment in the nature of a substitute (printed in H. Rept. 109–140) that sought to require that any statute enacted by the Congress pursuant to the proposed Constitutional Amendment must be consistent with the First Amendment to the U.S. Constitution (by a recorded vote of 129 yeas to 279 nays, Roll No. 293).

H. Res. 330, the rule providing for consideration of the measure was agreed to yesterday, June 21.


Rejected the Obey motion to recommit the bill to the Committee on Appropriations, by a recorded vote of 180 ayes to 232 noes, Roll No. 302.

Agreed to:

Flake amendment (No. 3 printed in H. Rept. 109–144) that reduces the GPO Congressional Printing and Binding budget to reduce the number of Congressional Records printed each day.

Rejected:

McHenry amendment (No. 4 printed in H. Rept. 109–144) that sought to increase funding for general expenses of the Capitol Police;

Baird amendment (No. 1 printed in H. Rept. 109–144) that sought to strike Title III, relating to
Continuity in Representation (by a recorded vote of 143 ayes to 268 noes, Roll No. 299);

Pages H4952–54, H4959

Jo Ann Davis of Virginia amendment (No. 2 printed in H. Rept. 109–144) that sought to strike the language in the bill prohibiting the Capitol Police from operating a mounted horse unit, and requiring the transfer of the current horses and equipment to the U.S. Park Police (by a recorded vote of 185 ayes to 226 noes, Roll No. 300); and

Pages H4954–56, H4959–60

Hefley amendment (No. 5 printed in H. Rept. 109–144) that sought to reduce overall appropriations in the bill by 1 percent (by a recorded vote of 114 ayes to 294 noes, Roll No. 301).

Pages H4958–59, H4960–61

H. Res. 334, the rule providing for consideration of the bill was agreed to by a recorded vote of 220 ayes to 192 noes, Roll No. 298, after agreeing to order the previous question by a yea and nay vote of 219 yea to 196 nays, Roll No. 297.

Pages H4932–34


Adjournment: The House met at 10 a.m. and adjourned at 10:13 p.m.

Committee Meetings

USDA FOREST SERVICE CENTENNIAL

Committee on Agriculture: Held a hearing to Review the Centennial of the USDA Forest Service. Testimony was heard from Dale Bosworth, Chief, Forest Service, USDA; and public witnesses.

U.S. COAST GUARD, DEEPWATER PROGRAM

Committee on Appropriations: Subcommittee on Homeland Security held a hearing on U.S. Coast Guard, Deepwater Program. Testimony was heard from the following officials of the U.S. Coast Guard, Department of Homeland Security: ADM Thomas Collins, Commandant, U.S. Coast Guard; and RADM Patrick Stillman, USCG, Executive Officer, Deepwater Program.

U.N. TASK FORCE

Committee on Appropriations: Subcommittee on Science, The Departments of State, Justice, and Commerce, and Related Agencies held a hearing on the United Nations Task Force. Testimony was heard from the following Co-Chairs of the Task Force on the United Nations Task Force. Testimony was heard from the following officials of the U.S. Coast Guard, Department of Homeland Security: ADM Thomas Collins, Commandant, U.S. Coast Guard; and RADM Patrick Stillman, USCG, Executive Officer, Deepwater Program.

AFGHANISTAN: OPERATIONS AND RECONSTRUCTION

Committee on Armed Services: Held a hearing on Afghanistan: Operations and Reconstruction. Testimony was heard from the following officials of the Department of Defense: Peter Rodman, Assistant Secretary, International Security Affairs; and LTG Walter Sharp, USA, Director, Strategic Plans and Policy, J–5, The Joint Staff; and Nancy Powell, Assistant Secretary, International Narcotics and Law Enforcement Affairs, Department of State.

BUDGET PROCESS

Committee on the Budget: Held a hearing on Budgeting in the Congress, Reflections on How the Budget Process Functions. Testimony was heard from former Representative Bill Frenzel of Minnesota; and public witnesses.

PENSION PROTECTION ACT OF 2005

Committee on Education and the Workforce: Subcommittee on Employer-Employee Relations approved for full Committee action, as amended, H.R. 2830, Pension Protection Act of 2005.

NATIONAL ALL SCHEDULES PRESCRIPTION ELECTRONIC REPORTING ACT OF 2005; MEDICAID PRESCRIPTION DRUGS


The Subcommittee also held a hearing entitled “Medicaid Prescription Drugs: Examining Options for Payment Reform.” Testimony was heard from Douglas Holtz-Eakin, Director, CBO; Kathy King, Director, Health Care, GAO; and public witnesses.

COMBATING TRAFFICKING IN PERSONS

Committee on Financial Services: Subcommittee on Domestic and International Monetary Policy, Trade, and Technology held a hearing entitled “Combating Trafficking in Persons: An International Perspective.” Testimony was heard from public witnesses.

FEDERAL REAL PROPERTY MANAGEMENT

Committee on Government Reform: Held a hearing entitled “Wasted Space, Wasted Dollars: The Need for Federal Real Property Management Reform.” Testimony was heard from Clay Johnson, Deputy Director, Management, OMB; and David M. Walker, Comptroller General, GAO.
REPORT—CITIZENS GUIDE USING FREEDOM OF INFORMATION ACT AND PRIVACY ACT TO REQUEST GOVERNMENT RECORDS; FEDERAL FINANCIAL MANAGEMENT


The Subcommittee also held a hearing entitled “The Evolution of Federal Financial Management—A Review of the Need to Consolidate, Simplify, and Streamline.” Testimony was heard from public witnesses.

BORDER SECURITY/BIOMETRIC PASSPORTS

Committee on Homeland Security: Subcommittee on Economic Security, Infrastructure, Protection, and Cybersecurity held a hearing entitled “Ensuring the Security of America’s Borders through the Use of Biometric Passports and Other Identity Documents.” Testimony was heard from Elaine Dzzenski, Acting Assistant Secretary, Directorate for Border and Transportation Security, Department of Homeland Security; Frank Moss, Deputy Assistant Secretary, Consular Affairs, Department of State; Martin Herman, Information Access Division Chief, National Institute of Standards and Technology, Department of Commerce; Gregory Wilshusen, Director, Information Security Issues, GAO; and a public witness.

SUDAN

Committee on International Relations: Held a hearing on Sudan: Consolidating Peace While Confronting Genocide. Testimony was heard from Robert B. Zoellick, Deputy Secretary, Department of State.

E.U. CONSTITUTION AND U.S.-E.U. RELATIONS

Committee on International Relations: Subcommittee on Europe and Emerging Threats held a hearing on The EU Constitution and U.S.-EU Relations: The Recent Referenda in France and the Netherlands and the U.S.-EU Summit. Testimony was heard from John Bruton, Head, Delegation of the European Commission; Arlette Conzemius, Ambassador of Luxembourg.

WATER SUPPLY RELIABILITY

Committee on Resources: Subcommittee on Water and Power held an oversight hearing entitled “Environmental Regulations and Water Supply Reliability.” Testimony was heard from public witnesses.

LABOR, HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES APPROPRIATIONS, FY 2006

Committee on Rules: Granted, by voice vote, an open rule providing for consideration of H.R. 3010, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes. The rule provides one hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The rule waives all points of order against consideration of the bill. Under the rules of the House the bill shall be read for amendment by paragraph. The rule waives points of order against provisions in the bill for failure to comply with clause 2 of rule XXI (prohibiting appropriations or legislative provisions in an appropriations bill), except as specified in the resolution. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Regula.

WATER RESOURCES DEVELOPMENT ACT OF 2005

Committee on Transportation and Infrastructure: Ordered reported, as amended, H.R. 2864, Water Resources Development Act of 2005.

OVERSIGHT—AIRLINE PENSIONS

Committee on Transportation and Infrastructure: Subcommittee on Aviation held an oversight hearing on Airline Pensions: Avoiding Further Collapse. Testimony was heard from JayEtta Z. Hecker, Director, Physical Infrastructure Issues, GAO; and Bradley D. Belt, Executive Order, Pension Benefit Guaranty Corporation.

COMMITTEE MEETINGS FOR THURSDAY, JUNE 23, 2005

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations: business meeting to markup H.R. 2744, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2006, H.R. 2862, making appropriations for Science, the Departments of State, Justice, and Commerce, and related agencies for the fiscal year ending September 30, 2006, and H.R. 2985, making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, 2 p.m., SD–106.
Committee on Armed Services: to hold hearings to examine United States military strategy and operations in Iraq, 9:30 a.m., SR–325.

Full Committee, to hold a closed briefing to examine Iraqi security forces, 3:30 p.m., SR–222.

Committee on Commerce, Science, and Transportation: business meeting to consider pending Calendar business, 10 a.m., SR–253.

Committee on Finance: to hold hearings to examine United States-China economic relations, 10 a.m., SD–215.

Committee on Foreign Relations: to hold hearings to examine issues relative to developing an HIV/AIDS vaccine, 10 a.m., SD–419.

Committee on Health, Education, Labor, and Pensions: to meet to discuss the Family Medical Leave Act, 10 a.m., SD–430.

Committee on Homeland Security and Governmental Affairs: Federal Financial Management, Government Information, and International Security, to hold oversight hearings to examine disparities in federal HIV/AIDS CARE programs, focusing on the effectiveness of CARE Act funding allocations in ensuring that all Americans living with HIV are provided access to core medical services and lifesaving AIDS medications, 2:30 p.m., SD–562.

Committee on the Judiciary: business meeting to consider the nominations of James B. Letten, to be United States Attorney for the Eastern District of Louisiana, and Rod J. Rosenstein, to be United States Attorney for the District of Maryland, both of the Department of Justice, S. 1088, to establish streamlined procedures for collateral review of mixed petitions, amendments, and defaulted claims, S. 155, to increase and enhance law enforcement resources committed to investigation and prosecution of violent gangs, to deter and punish violent gang crime, to protect law-abiding citizens and communities from violent criminals, to revise and enhance criminal penalties for violent crimes, to reform and facilitate prosecution of juvenile gang members who commit violent crimes, to expand and improve gang prevention programs, S. 751, to require Federal agencies, and persons engaged in interstate commerce, in possession of data containing personal information, to disclose any unauthorized acquisition of such information, and committee rules of procedure for the 109th Congress, 9:30 a.m., SD–226.

Subcommittee on Constitution, Civil Rights and Property Rights: to hold hearings to examine the consequences of Roe v. Wade and Doe v. Bolton, 2 p.m., SD–226.

Committee on Veterans’ Affairs: to hold hearings to examine pending veterans benefits related legislation, 10 a.m., SR–418.

Select Committee on Intelligence: to hold closed hearings to examine certain intelligence matters, 2:30 p.m., SH–219.

House

Committee on Armed Services, hearing on the Progress of the Iraqi Security Forces, 2 p.m., 2118 Rayburn.


Committee on Financial Services, Subcommittee on Financial Institutions and Consumer Credit, hearing entitled “Banking on Retirement Security: A Guaranteed Rate of Return,” 10 a.m., 2128 Rayburn.


Committee on International Relations, Subcommittee on Africa, Global Human Rights and International Operations, hearing on Implementing the 1998 Torture Victims Relief Act, 2 p.m., 2172 Rayburn.


Committee on the Judiciary, Subcommittee on Crime, Terrorism, and Homeland Security, to mark up the following: H.R. 184, Controlled Substances Export Reform Act of 2005; H.R. 869, to amend the Controlled Substances Act to lift the patent limitation on prescribing drug addiction treatments by medical practitioners in group practices; and the United States Parole Commission Extension and Sentencing Commission Authority Act of 2005, 10 a.m., 2141 Rayburn.


Subcommittee on Fisheries and Oceans, hearing on the following bills: H.R. 518, Neotropical Migratory Bird Conservation Improvement Act of 2005; and H.R. 2693, Great Ape Conservation Reauthorization Act of 2005, 10 a.m., 1324 Longworth.

Committee on Ways and Means, Subcommittee on Oversight, hearing to review the Tax Deduction for Facade Easements, 2 p.m., 1100 Longworth.

Subcommittee on Social Security, to continue hearings on Protecting and Strengthening Social Security, 10 a.m., B–318 Rayburn.

Permanent Select Committee on Intelligence, executive, Briefing on Global Updates, 9 a.m., H–405 Capitol.
Next Meeting of the SENATE
9 a.m., Thursday, June 23

Senate Chamber

Program for Thursday: Senate will continue consideration of H.R. 6, Energy Policy Act, with a vote on the motion to invoke cloture thereon to occur at 10 a.m.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Thursday, June 23

House Chamber

Program for Thursday: Begin consideration of H.R. 3010, Departments of Labor, Health and Human Services, Education and Related Agencies Appropriations Act for FY 2006 (subject to a rule).

Extensions of Remarks, as inserted in this issue

HOUSE

Burgess, Michael C., Tex., E1312, E1313
Ehrlich, Anna G., Calif., E1312
Evans, Lane, Ill., E1311
Green, Mark, Wis., E1314
Herger, Wally, Calif., E1313
Higgins, Brian, N.Y., E1311, E1314
Kilpatrick, Carolyn C., Mich., E1311
Matheson, Jim, Utah, E1312
Meek, Kendrick B., Fla., E1312
Otter, C.L. “Butch”, Idaho, E1313
Paul, Ron, Tex., E1313
Pence, Mike, Ind., E1311
Radanovich, George, Calif., E1311
Simmons, Rob, Conn., E1314
Sullivan, John, Okla., E1314

The Congressional Record (USPS 087-390). The Periodicals postage is paid at Washington, D.C. The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed one time. Public access to the Congressional Record is available online through GPO Access, a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available through GPO Access at www.gpo.gov/gpoaccess. Customers can also access this information with WAIS client software, via telnet at swais.access.gpo.gov, or dial-in using communications software and a modem at 202–512–1661. Questions or comments regarding this database or GPO Access can be directed to the GPO Access User Support Team at: E-Mail: gpoaccess@gpo.gov; Phone 1–888–293–6498 (toll-free), 202–512–1800 (D.C. area), Fax: 202–512–2250. The Team’s hours of availability are Monday through Friday, 7:00 a.m. to 5:30 p.m., Eastern Standard Time, except Federal holidays. The Congressional Record paper and 24x microfiche edition will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $252.00 for six months, $503.00 per year, or purchased as follows: less than 200 pages, $10.50; between 200 and 400 pages, $21.00; greater than 400 pages, $31.50, payable in advance; microfiche edition, $146.00 per year, or purchased for $3.00 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. To place an order for any of these products, visit the U.S. Government Online Bookstore at: bookstore.gpo.gov. Mail orders to: Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250–7954, or phone orders to 866–512–1800 (toll free), 202–512–1800 (D.C. area), or fax to 202–512–2250. Remit check or money order, made payable to the Superintendent of Documents, or use VISA, MasterCard, Discover, American Express, or GPO Deposit Account. Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record. POSTMASTER: Send address changes to the Superintendent of Documents, Congressional Record, U.S. Government Printing Office, Washington, D.C. 20402, along with the entire mailing label from the last issue received.