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House of Representatives

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore (Mr. SHULER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 23, 2007.

I hereby appoint the Honorable HEATH SHULER to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker, House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Georgia (Mr. PRICE) for 5 minutes.

DELEGATE VOTING

Mr. PRICE of Georgia. Mr. Speaker, what if I were to tell you that non-Members of the House of Representatives were about to be given a vote right here in the House? You would say no, can't happen, right? Well, hold on, because it's about to happen and it's about to happen this week.

This week is a remarkable week; it should be a time of great anticipation, the State of the Union, we've got incredible and remarkable challenges that face our Nation. But at home, when I go home, people are kind of wondering out loud, what's going on up there in Washington? There is skepticism about the Six for '06, you know, the things that the Democrat majority adopted in their vaunted first 100 hours, albeit under an unfair process and with no input from either their new Members or the minority. Really a clear abuse of power. But the explanation was, well, we ran on these issues, everyone knew they were coming, they endorsed them in the election.

Now, regardless of the truthfulness of that statement, most folks just kind of shake their head, and most in the press have given the Democrats the benefit of the doubt, and that's all right. There is a basic sense of, you know, it's tough to believe that they would violate so many principles coming right out of the chute.

And then yesterday we had a suspension bill; that is a bill that is brought to the floor of the House that requires a supermajority, two-thirds, in order to pass. And by tradition, it is brought to the floor because it has got an overwhelming amount of support, with the full knowledge of both the majority and the minority. And yesterday, a bill that virtually everyone here supports, removing Federal pensions from Members of Congress who are convicted of a felony, was brought to the floor and amended or changed twice within a few minutes before even reaching the floor. Now this is fairly esoteric stuff; however, it is important because it demonstrates the unfair process, the abuse of the rules and the abuse of power.

And now we have another in what seems to be this daily event of power-hungry Democrat majorities to give non-Members of the House a vote on this floor. It is a move that they tried the last time they were in control, a move that generated some interesting headlines—''Have the Democrats No Shame?'' ''The Democrats' Greedy Power Grab,'' ''Power Grab in the House.'' And these are from the New York Times and the Chicago Tribune and the Washington Post, not this year, but in 1992.

Now the issue is whether or not to allow non-Members of the House of Representatives, specifically the Resident Commissioner from Puerto Rico, and the Delegates from Guam, the Virgin Islands, the District of Columbia and American Samoa the privilege to vote during the Committee of the Whole on this floor of the House. Mr. Speaker, this is outrageous; it is an incredible, phenomenal move in both process and in substance.

Once again, now becoming the routine, this bill, scheduled to come to the floor of the House tomorrow, has had no committee hearing, no debate, no opportunity to amend, no democracy. I assure you, this is not the kind of change that the American people voted for last November.

The Constitution states that the House shall be composed of, quote, ''Members chosen by the people of the several States,'' not Delegates representing non-State territories. It is an unconstitutional power grab, a plan that runs roughshod over the constitutional principle of one person, one vote. One of these territories has 57,000 residents, compared to the 650,000 in my district. These individuals could vote to raise your taxes, Mr. Speaker, without paying taxes themselves.

Clearly the plot by the Democrats is to slip this through during the week of the State of the Union when they think no one is paying attention. This is an unconscionable action, it is a violation of trust and a clear abuse of power.

Under the Democrat plot and logic, they could seat and allow anyone that the majority desires in the House. Who's next, Mr. Speaker? Howard Dean? Does he get a vote in the House?

The American people are disgusted with this level of arrogance and abuse of power.

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The oath that all of us took just a few weeks ago, we all pledged to uphold the Constitution of the United States; this proposal belies that oath.

I urge my Democrat colleagues to regain some sense of propriety, some sense of history, some sense of rectitude. When you trample on the Constitution, when you use the Constitution as a doormat and not the foundational document of our wonderful representative democracy, you do great harm to our Nation.

ELIMINATING POVERTY

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, last week, on the night of the Martin Luther King, Jr. holiday, I attended a truly amazing event in the West Side Community Center in Asbury Park, New Jersey.

The city of Asbury Park is in my congressional district, and has been plagued in recent months by gang violence. It is a phenomenon shared by many New Jersey municipalities, including my hometown of Long Branch nearby, which recently witnessed several gang murders.

Mr. Speaker, redevelopment has come to Asbury Park, all the outward signs are of a seaside resort that is coming back big time. So why, you might ask, the gang violence? Why the murders? One of which took place right in front of the West Side Community Center where the Dr. King celebration took place. The truth is that the plight of the have-nots, that other America, has gotten worse in the last few years.

The event was organized by the Reverend Kevin Nunn, leader of Spirit of Truth World Vision Outreach in Asbury Park. More than 15 local clergy testified to the difficulty of young people in getting an education, avoiding drugs, and preventing a return to prison because of lack of economic opportunities. The recreation programs which had been the backbone of the West Side Community Center are at risk because of lack of funding.

Now, Mr. Speaker, the most important theme I can convey about Monday night's event was the message of hope. Dr. King was invoked as the example of love, peace and harmony among those of all races and creeds, and he was a symbol that pervaded the audience as the speakers talked about the need to vote, to go to church and unite as a committee. Reverend Nunn and most of the clergy who spoke at this meeting are directly involved in bringing shelter to the homeless, food to the needy, and promoting economic opportunity.

The people present Monday night are proud Americans, but they need help. They are certainly not looking to government to solve all their problems, but they believe that government can make a difference, and it is up to us as their representatives to make the changes necessary so they can continue to have hope.

Mr. Speaker, Senator BOB MENENDEZ and I will soon introduce legislation to address the issue of gang violence. The bills will have three main goals. Our first goal is to provide after-school programs for students so they have a place to go instead of joining a gang. The type of recreation and mentor programs that were discussed in Asbury Park at the community meeting I attended could benefit from the grant set up by this legislation.

The second goal is to prevent recidivism, the idea that people who leave jail don't get caught up in a gang once again because they have no job, no family or home to return to after jail. The legislation expands adult and juvenile offender demonstration projects to help with post-release housing and promote programs that hire former prisoners.

And last, the administration addresses better police enforcement as well as gang suppression initiatives. At the Asbury Park meeting, the cries of ''Stop the Violence'' came up repeatedly. The legislation will direct more resources to towns to create a new COPS grant program and put more police on the street. Penalties will increase for those convicted of gang crimes, and particularly those using firearms, and communities would be empowered to create their own task forces to implement antigang initiatives.

Now all of these ideas require more dollars, and on the day when President Bush is making his State of the Union address, I want to make one very serious point about Federal resources. We can't, as a nation, continue to escalate the war in Iraq with no positive consequences for America at a continued drain of hundreds of billions of dollars. President Bush needs to reverse course and redeploy our troops out of Iraq. The money and manpower are not only needed on the fight against terrorism elsewhere, for example, in Afghanistan, but also at home, to fight the criminals on our streets. The need is not only for more policemen, but for the housing, health care education and life support needs that will make it possible to get rid of the poverty that I saw on Martin Luther King Day in my community of Asbury Park.

DELEGATE VOTING

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentleman from North Carolina (Mr. MCHENRY) is recognized during morning hour debates for 5 minutes.

Mr. MCHENRY. Mr. Speaker, this week House Democrats are pushing forward a measure allowing Delegates to cast votes even on the House floor, even in this chamber.

Now, what is happening here is a continuation of a policy that the Democrats have put in place since day one, and that is an abuse of power. This proposal this week means that Delegates from Guam, the Virgin Islands, Puerto Rico, and my favorite, American Samoa, will enjoy new voting privileges similar to Members of Congress who actually represent districts in the United States and who actually represent districts with tax-paying citizens of the United States. This is a clear abuse of power.

And beyond that, as we all know, there is this little thing called the Constitution, and the Constitution says very clearly, the House shall be comprised of Members chosen by the people of the several States, not territories, not any member who wishes to come to this House floor and vote, but those elected by the citizens of the United States from districts in the United States.

What the Democrats are trying to do here is cushion their numbers. There is a tight majority here in the House that the Democrats have, and they are trying to add to those numbers so that when they have tough votes on the House floor, they can look up and point to a better number for their side than for the Republican side.

Beyond that, 80 percent of the Delegates from these territories are Democrats. Let's think this thing through. I think it is starting to make sense now, Mr. Speaker. There is an abuse of power that is continuing in the third week of Congress that began even before its first day. And let me tell you what is so perplexing about this, is that while my constituents have to pay Federal income tax in order to have their representation in Congress, the Delegates from the territories represent constituents who never have to pay Federal income tax. While the Revolutionary War was fought over this idea of taxation without representation, what we have here today with this Delegate voting is representation without taxation. I think that would be great for my constituents in western North Carolina; I think it would be great for all of America if we don't have to pay Federal income tax and still have our power and our elected democracy, but that is not the case.

But let's rewind. Just 2 weeks ago, the new Speaker of the House pushed forward a new minimum wage bill, a minimum wage bill that covered all of America and all of the territories, save one, American Samoa. The largest employer in American Samoa is headquartered in no other district than the Speaker's home district in San Francisco. I think something smells fishy. That is what I said at the time. And I think this is another fishy favor to the Delegates from the territories. It is quite perplexing, Mr. Speaker, that in week three we have a continued abuse of power on this House floor.

But let's go back, let's rewind. What else have the Democrats done in their short time in power to abuse the power that the American people gave them?

Well, let's look at this: On opening day, we proposed the Pelosi minority bill of rights, the same bill of rights that the Democrats demanded 2 years ago. We proposed the same thing, and the Speaker summarily dismissed it. Look at the 9/11 Commission, they pledged to implement all of the 9/11 Commission recommendations, and they went back on that pledge. A 5-day workweek, that was a key pledge they made during the campaign, and after the campaign they said this House will work 5 days a week. We have yet to work a 5-day workweek. In fact, last Friday we voted on only one bill.

And also, in 3 weeks in Congress, we only worked 40 hours in those 3 weeks. Another abuse of power, Mr. Speaker.

And finally, when they talk about keeping votes open in order to change the outcome; they have already done that, which is another abuse of power.

Mr. Speaker, this Delegate voting is something fishy, and it is another fishy favor put forward by the new Speaker of the House and the new Democrat majority in order to pad their number and further abuse power. We should reject it, and the American people who pay taxes should be angry at this proposal.

THE BIKE CAUCUS

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, I find it somewhat amusing listening to my colleagues on the other side of the aisle fulminating against the notion that we would allow Delegates to participate in our deliberations of the Committee of the Whole. Obviously the people either haven't read the proposal, or they don't care about what the content is, because these are duly elected representatives that we are proposing to be able to enter into efforts only under operation as Committee of the Whole. While they are signaling their intent, how they would vote, that if at any point they provide the margin that would change the outcome, we provided for a revote. So we are protecting the integrity of the House, it is just when we are operating in the Committee of the Whole, and it is to give voice, for example, to the Republican Delegate from Puerto Rico who represents 4 million people who do pay taxes, who fight in our wars; Delegate ELEANOR HOLMES NORTON, who represents full tax-paying citizens of the District of Columbia who have been disenfranchised. In effect we have a tax-paying colony of United States citizens. That is our Nation's capital. It is shameful that ELEANOR HOLMES NORTON hasn't been extended full voting status, but we will work on that ultimately by changing the Constitution.

Until that day comes, this represents a reasonable compromise to give voice to the men and women who are Delegates, who play an important role, including Puerto Rico, a Republican Delegate, and ELEANOR HOLMES NORTON, who represents American citizens disenfranchised in the District.

Mr. Speaker, I come to the floor today on a somewhat lighter note. While we are dealing with affairs of state, we are going to hear partisan bickering back and forth. We are going to be dealing with major issues or war and peace and global warming. We also have an opportunity this week to reinstitute a tradition that continues to unify and uplift Congress, and I am speaking about bike-partisanship. The last 15 years have signaled a renaissance in cycling—the feats of Greg LaMond and Lance Armstrong in the Tour de France; Americans using over a hundred million bicycles around the country; the landmark ISTEA legislation reauthorizing the Surface Transportation Act that since 1991 has directed $8 billion to biking and walking and trail activities, $4.5 billion in the last bill alone, another record.

We are working for ways to enhance the status of people who burn calories, not oil, people who take up less space on congested roadways, do not contribute to air pollution, and simplify the parking problems faced by more Americans.

It is not just better for the cyclists, but it is better for the motorists who don't have the cyclists competing with them. It is better for the health of Americans. We know that we are dealing with an issue of obesity in America, a lack of exercise. Think right now how many Americans are stuck in traffic on their way to ride an exercise bike at a health club.

Well, we have an opportunity, Mr. Speaker, by enlisting friends on both sides of the aisle to rejoin the Congressional Bicycle Caucus. I strongly urge that my colleagues respond to the invitation that is going out today along with my co-chairman, Tom Petri, a great member of the Transportation and Infrastructure Committee, to join with us. Last session we had over 160 bike-partisan members from both parties who dealt with issues of transportation. We have done activities that involve members and staff and family. We urge fellow members to sign up now to be ready for the hundreds of cyclists that will join us for the annual Bicycle Summit in March. This is one activity that brings us together that all people can benefit from, and they will be entitled to their membership pin in the Congressional Bicycle Caucus.

I strongly urge that we take these steps for a healthier America, for an environmentally sensitive America, for an America where children can get to school safely on their own, and that we are able to live a little lighter on the land.

STATEMENT ON PRESIDENTIAL PARDON FOR TWO U.S. BORDER PATROL AGENTS IN FEDERAL PRISON

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentleman from North Carolina (Mr. JONES) is recognized during morning hour debates for 5 minutes.

Mr. JONES of North Carolina. Thank you, Mr. Speaker.

Mr. Speaker, now is a critical time in the case of two United States Border Patrol agents. Last week, the agents turned themselves in to U.S. marshals to begin serving 11 and 12 years, respectively, in Federal prison. U.S. Border Patrol agents Ramos and Compean were convicted last spring for wounding a Mexican drug smuggler who brought 743 pounds of marijuana across our southern border into Texas. The agents fired shots during a foot chase with the smuggler, who had fled in a van they were pursuing. The van contained approximately $1 million worth of marijuana.

Mr. Speaker, after months of silence, the President recently said in a television interview that he would take a sober look at the case and a tough look at the facts to see whether the agents should be pardoned. For the agents' safety, I am hopeful that the President of the United States will look into this case as soon as possible.

The facts will tell the President what countless citizens and Members of Congress already know, that the United States Attorney's office was on the wrong side in this case. Compelling physical evidence—the angle of the bullet that struck the drug smuggler—makes it clear that the smuggler was pointing something at the agents as he ran away and the agents fired in self-defense. Yet the U.S. Attorney's office prosecuted the agents almost exclusively on the testimony of an admitted drug smuggler who claimed he was unarmed. Despite claims of insufficient evidence, the fact that the U.S. Attorney's office and Office of Inspector General were able to track down this smuggler in Mexico proves that they had enough evidence to tie him to the drug load, but they chose not to prosecute him. Instead, Mr. Speaker, the United States Attorney's office prosecuted the agents and granted immunity to the drug smuggler for his testimony against our border agents. That is absolutely unacceptable.

The drug smuggler received full medical care in El Paso, Texas, was permitted to return to Mexico, and is now suing the Border Patrol for $5 million for violating his civil rights. Contrary to the claims of the United States attorney, there is no law that requires the government to give medical assistance to injured illegal aliens. This drug smuggler is not an American citizen. He is a criminal. Since the agents were convicted, three of the 12 jurors have submitted sworn statements that they were misled into believing that there

could be no dissent in the jury's decision and therefore believed that they had to give in to the majority opinion of guilt. Still, the judge refused to overturn the verdict.

Mr. Speaker, the extraordinary details surrounding the prosecution of this case assures that justice has not been served. For the sake of the agents and their families and for the sake of the American people who they were working to protect, I encourage the President to review the facts of this case as soon as possible. In addition to the 250,000 petitions that have been collected on behalf of the agents, the American people and Members of Congress should encourage the President to review this case. I hope that the Members of Congress and the American people will call the White House and ask the President to immediately reverse this injustice by pardoning these two innocent men.

STATE OF THE UNION

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentlewoman from California (Ms. SOLIS) is recognized during morning hour debates for 5 minutes.

Ms. SOLIS. Last November, the American people demanded a dramatic change at home and abroad. Now in the majority, Democrats in Congress are delivering on that promise. With the State of the Union address to be held tonight, President Bush can demonstrate that he has listened to the American public and is ready to work with the Congress on these priorities. On critical issues from Iraq to energy independence, it is time to take America in a new direction.

On security and Iraq. President Bush likes to make promises in the State of the Union addresses, he just doesn't always keep those promises. The President has promised the American people to strengthen America's security. Unfortunately, his policies have made the world more dangerous and America less safe. Now he wants to escalate the war in Iraq over the overwhelming opposition of the American public and many of his own generals. Unfortunately, President Bush's plan to escalate the war in Iraq will not bring success in Iraq or make America safer. It will receive an up-or-down vote in both chambers of Congress. We will always put our troops first, and that means holding the President accountable for those changes that he wants to provide.

Democrats have a plan for success that will make America safer and bring our troops home. Shifting the principal mission of our forces from combat to training, logistics, force protection and activities to counter terrorism; beginning the phased deployment of our forces in the income tax 4 to 6 months; and implementing an aggressive diplomatic strategy both within the region and beyond to help the Iraqis achieve a sustainable political settlement, including amending their constitution.

On economic security. Last November, the American people demanded real results to improve their everyday lives and strengthen middle-class families. Today, President Bush has the opportunity to talk about a change of action there and work in a bipartisan way with those of us that are here serving in the House.

In its first 100 hours, the House of Representatives succeeded in passing legislation to raise the minimum wage, expand Federal funding for stem cell research, implement recommendations of the bipartisan 9/11 Commission, require negotiations for lower prescription drug costs, make college more affordable for many, many families, and end subsidies for Big Oil to invest in clean renewable energy. These 100-hour bills are just the beginning. The new Congress will do more to take America in a new direction.

On health care. President Bush's health insurance proposal is a tax hike on the middle class of our country. It will do little to help the uninsured and will undermine the health insurance of those lucky enough to have it already. In the same year that President Bush is once again submitting a budget making his tax cuts permanent—tax cuts that go overwhelmingly to the richest Americans—he is proposing to shift more of the cost of health care onto working families. Under President Bush's leadership, the Nation's health insurance crisis has actually worsened, costs are up and the number of uninsured Americans has grown. This latest proposal is another step in the wrong direction.

On energy independence. Key to our national security and our economic security is energy independence. Last year in the State of the Union address by the President, he declared that we were addicted to oil. One week later in his annual budget, he shortchanged the development of alternative fuels and technologies needed to make America energy independent. As you know, Democrats are already putting America on a path to energy independence by cutting huge subsidies to Big Oil and investing in the alternative fuels and technologies needed to protect our national security, our economy and our environment. The science of global warming and its impact is overwhelming, as you know. The American public understands the urgency of the problem. We want to work with President Bush in a bipartisan fashion but we can't wait for him to put science before special interests.

Democrats will listen to what President Bush has to say today and we hope he will listen to the American public. It is time for all of us to work together for a new direction for all Americans.

THE INFORMED CHOICE ACT, H.R. 223

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, yesterday there was a pro-life rally here in Washington, DC. In fact, the 22nd annual rally. I thought I would take a moment and talk about some of the innovations involved with ultrasound equipment which is very beneficial for women who are pregnant who wish to look at the fetus.

Recently, my colleagues, National Geographic presented a 2-hour program charting the fetal development of several mammals with the use of new generation ultrasound imagery. Physicians created a stunning portrait of a mammal in utero, but just imagine the reaction of parents today when viewing a 3–D fetal snapshot of their unborn son or daughter smiling back at them.

Professor Stuart Campbell, one of the world's leading experts in obstetrics, believes that ever improving imagery, particularly moving from 3–D to 4–D scanning, which are inching closer and closer to actually displaying real-time movements, represents the tip of the iceberg for fetal behavior study.

As with these amazing images, ultrasound technology provides parents-to-be with a window into the womb which can result in a stronger parent-child bond, better prenatal treatment and also supply doctors with obviously an advanced understanding of fetal development and behavior.

Today's ultrasound equipment is better than ever and the technology will improve even better over time. Such images allow physicians to readily identify critical health problems such as spina bifida, heart complications, neural tube defects, and genetic syndromes. Ultrasound imagery brings many benefits to women, their unborn children and, of course, to our health care system in general. Continued research, breakthrough developments, and preventative care could save millions of dollars.

Public health advocates know that access to early, high-quality prenatal care is key to maternal and newborn health. Therefore, this prenatal care should include ultrasound equipment. Sonograms can diagnose serious complications that can be easily avoided if discovered early on during a pregnancy. Four-dimensional imaging shows objects in 3–D moving close to real time. Doctors have long known that fetuses move, but the physical behavior revealed by these scans is expanding upon their knowledge exponentially. The possibilities of improving the health of women and their unborn children are endless.

Mr. Speaker, these advanced ultrasound images can give women an opportunity for better prenatal health and decrease risks during pregnancy not only for themselves but obviously for their unborn child. Unfortunately, there are a lot of women today that cannot afford access to this critical medical service. These underprivileged

women do not have the option of safeguarding their health and prenatal well-being. Therefore, I have introduced the Informed Choice Act, H.R. 223. This legislation authorizes Health and Human Services to establish simple grants for not-for-profit and community-based health clinics to purchase ultrasound equipment. The centers that purchase these machines will be able to provide free examinations to women who are unable to obtain access to this critical care. That is, women that are poor. Each year, these pregnancy centers serve hundreds of thousands of women, ranging from girls barely in their teens to women in their mid to late thirties. Many of these women are among the poorest of the poor. For them, the free care that they receive is an essential lifeline. Access to ultrasound equipment is clearly one of the best things that this Congress can do to promote women's health and prenatal care.

Women understand the importance of ultrasound equipment. A recent poll confirms this. In order to provide women in crisis pregnancies with sufficient prenatal care and the full scope of information about their pregnancy, I urge my colleagues today to cosponsor my legislation. It is clear that these women view ultrasounds as an essential resource, a resource for women who are faced with unplanned pregnancies struggling with that prime decision. Additionally, the Focus on the Family organization found that an overwhelming 84 percent of women surveyed decide against abortion after viewing an ultrasound of their unborn baby.

Women have a right to know what is going on during their pregnancy. These ultrasound images, specifically with the 3–D and 4–D technology, depict fetuses beyond 24 weeks sucking their thumbs, sticking their tongues out and even making emotional faces.

So again, my colleagues, I urge you to join me in protecting the health of women and their unborn children by cosponsoring the Informed Choice Act, H.R. 223. This bill is about giving vulnerable women the information they need about their pregnancy and making this critical technology available to all Americans.

WHEN THEY COME HOME: MEETING THE MENTAL HEALTH NEEDS OF OUR TROOPS

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentleman from Pennsylvania (Mr. TIM MURPHY) is recognized during morning hour debates for 5 minutes.

Mr. TIM MURPHY of Pennsylvania. Mr. Speaker, over 17 percent of soldiers returning from Iraq, higher than any other measured military conflict, meet the criteria for post-traumatic stress disorder, or PTSD. Predeployment mental health screening, availability of treatment, perception toward treatment and public attitudes of the soldiers' actions all affect the vulnerability and prognosis for this disorder.

PTSD is a severe anxiety disorder that develops after a traumatic event involving physical danger. It is also called ''shell shock'' or ''battle fatigue'' in other wars and is particularly prevalent among soldiers who have experienced wartime combat. Symptoms can include insomnia, irritability, inability to concentrate, panic, terror, dread, despair, grief and include daytime recollections, traumatic nightmares or combat flashbacks. Most persons exposed to severe trauma do not develop symptoms. Onset can be immediate but more commonly occurs from a few months to years after the event.

Currently, the Department of Defense provides mental health services for 180 days following discharge and the VA offers its health care services, including mental health, to veterans at no cost for 2 years following discharge. Afterwards, veterans may continue to receive mental health treatment but are subject to copayments.

Unit support while still deployed helps reduce symptom risk. Once soldiers return home these supports end, but ongoing support is essential to reduce the risk, from families, friends, veterans, the VA and our society as a whole. Many with early symptoms of PTSD, however, isolate from social contact and do not benefit from these supports.

In the current war in Iraq, unlike Vietnam, society as a whole is generally able to separate support for the soldier from support for the war. However, as criticism for the war increases and the public questions the purpose and outcome of this war, a significant question remains as to the impact upon the soldier's mental health of these expressions of doubt. For those at risk for PTSD and since hopelessness may raise the risk, society's comments of the situation may increase the soldier's sense of personal blame and lead the soldiers to question if they did their job well. Or they may develop a sense of worthlessness and guilt that their fellow soldiers lost their lives for a cause that was not supported by the country. Further research must be done to explore this link, but it also raises an important issue. Not only is there a concern for a stigma for the war action itself but also getting help. The majority of soldiers who need treatment for PTSD and mental health symptoms do not seek help for fear of being seen as weak, for fear of being treated differently by their commander, or fear of future harm to their career.

Pictures, commentary and news coverage of this war affects not only recent combat veterans but extends to those of prior wars. A survey of 70 Vietnam veterans stated that 57 percent reported flashbacks after watching reports about this war on television, and almost half faced sleep disorders.

Mr. Speaker, there is a need for specialized military mental health services. As of May last year, of the 5 percent of Iraq and Afghanistan soldiers who may have been at risk, only 22 percent sought help from mental health providers. The rest sought help from primary care doctors, many without mental health training.

The National Defense Authorization Act of last year created the defense task force on mental health. Within a year, they are to submit a report to us with a long-term plan to improve the effectiveness for Armed Forces who have experienced multiple deployments. But Congress can improve the Department of Defense referral process for mental health evaluations by psychiatrists/psychologists to better meet the needs of our troops. As chronic PTSD symptoms can continue for years, the VA should extend the 2-year universal coverage period for mental health services for our Nation's soldiers when they return from active duty and combat. And we need to study the effects of the 24-hour media exposure on the occurrence of PTSD symptoms upon returning veterans from Iraq and Afghanistan. Congress can also increase public awareness of PTSD to reduce the stigma for returning veterans and for them to take advantage of mental health services at the VA.

Working together, we can ensure that none of our Nation's veterans suffering with PTSD are left behind, but above all as Members of Congress we have to make sure that the things we do and say respond to the caveat to first do no harm.

DELEGATE VOTING

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentlewoman from Tennessee (Mrs. BLACKBURN) is recognized during morning hour debates for 5 minutes.

Mrs. BLACKBURN. Thank you, Mr. Speaker. I appreciate the time and the opportunity to talk with my colleagues about an issue that is of tremendous importance to us. It is certainly one that I have heard from from my constituents in Tennessee's Seventh Congressional District. They are quite concerned about this. It seems that all of a sudden last week, outside of regular order, outside of the normal committee process, an old idea resurfaced and came before this body in the form of a piece of legislation that is not going through regular order, is not going through the committee process. And I had many constituents who were quite concerned about this, and how could a bill that is important to us, important to our Nation, important to our structure and our way of governing come before us without people being aware? This issue is the issue of delegate voting. We are going to hear more about this today and tomorrow. Then the Democrat majority is going to push this to the floor for a vote so that they can circumvent what is the constitutional underpinning of this great Nation.

Now, we as Republicans believe in the constitutional principle of one person, one vote. We think that that is important. It is important to adhere to that, that everyone is equal under the law. Everyone is entitled to their vote, everyone is entitled to that representation of one person, one vote. And to change that principle and allow delegate voting would require an amendment of the Constitution. That is not a statement that comes only from me but the Democrats can look at their former Speaker of the House, Tom Foley, who is on record in 1970 when this old issue came up at that point. In 1970, former Speaker of the House Tom Foley, a Democrat from Washington State said, and I am quoting, it is very clear that a constitutional amendment would be required to give delegates a vote in the Committee of the Whole, which is the full House.

Now, Mr. Speaker, this act by the Democrats is nothing more than an unconstitutional power grab that they want in order to be able to further their agenda. So we feel that it is important to stand against this. We feel that it is also important that we look at the Constitution, when it says that the House shall be composed of Members chosen by the people of the several States, not delegates representing the non-State territories. There is a distinction here. There is a bright line here.

We also feel like that it is important to note that this plan would run over that tenderly held principle of one person, one vote. The average congressional district has approximately 650,000 people. Mine in Tennessee has a little bit more than that. We know that Speaker PELOSI's has 640,000 people. But we also know that American Samoa has 57,000 people, the Virgin Islands 108,000, and Guam 155,000. So the Delegates that represent those numbers of individuals could vote to raise your taxes, but—and this is another point that concerned my constituents—they would not have to pay them. So their Delegates can vote to raise the taxes of my constituents in Tennessee but those Delegates' constituents wouldn't have to be paying the taxes. They get benefits, they want a vote, they want to use that money. They are just not having to pay the taxes.

Now, Mr. Speaker, I do believe that this is something that many people would say, well, if we're going to have equity under the law, if they're not going to have to pay though those taxes, if they're going to have a Congressman for 57,000 people and they have their vote for 57,000 or 108,000 or 155,000, then why don't we just change the rules for everybody? The answer to that, Mr. Speaker, we know is because this Constitution means something. This is a Nation of laws. It is a Nation that is built on the rule of law. And to give Delegates the right to vote is inappropriate. It is a circumvention of our law. It is a violation of our Constitution.

Now, we know that the Democrat leadership is trying to ram this through the House and there are some reasons for doing this. They feel like they can literally do it on the sly this week. Tonight is the State of the Union. They feel like they can do this in the shadow of the State of the Union without going through the process of the committees, without going through the process of amending the Constitution. We also know that they would choose to do it before they establish regular order.

Mr. Speaker, you know, we have not been in the committee process. The committees have not been functioning. We have been having bills come straight to the floor without the due diligence and the oversight that is done by the committees. We know the Democrats would choose to circumvent that process and pass this before regular order is established. It is an issue of great concern. I appreciate very much that my constituents have been involved in the issue.

HOPING FOR LESS TALK AND MORE ACTION FROM WHITE HOUSE

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the gentleman from New York (Mr. MCNULTY) is recognized during morning hour debates for 5 minutes.

Mr. MCNULTY. Mr. Speaker, the President is going to come here tonight and by all indications he is going to call for a new era of cooperation. I hope that comes to pass. But that is not his record. On Iraq, he continues to ignore the American people, both parties in this Congress, and even his own generals. And our troops continue to suffer the consequences.

On energy policy, I have been in this chamber for the last several years when the President has spoken, I believe eloquently, about the need to develop alternative sources of energy. Then he gave huge multibillion-dollar tax cuts to the oil companies.

Health insurance is also a subject he is going to address tonight. In the words of former Governor Al Smith of New York, ''Let's look at the record.'' When this President took office, there were 39 million people uninsured in this country. Today that number is 47 million, up by 8 million people. We're going in the wrong direction.

Mr. Speaker, I hope that in the year 2007, from the White House and from this administration, we get less talk and more action.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until noon today.

Accordingly (at 11 o'clock and 18 minutes a.m.), the House stood in recess until noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order at noon.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, King of the universe, Creator of all, tonight television cameras and media from around the world will be focused on this Chamber, where President George W. Bush, 43rd President of the United States of America, will address a joint session of the 110th Congress in his State of the Union.

Holding the office of the highest authority in the land and elected by the people of this Nation, he has become a world figure whose words and actions draw the attention of peoples worldwide and will shape the human events of our time. Thereby, he is so deserving of our prayer today and every day. We owe him our prayerful support as free citizens who pledge allegiance to the flag of the United States of America.

Lord God, bless, protect and guide our President, for Divine Providence has called him at this moment to be a living symbol of free democracy and a blessing for this Nation and for the world. Grant him health, wisdom and strength.

For You, O Lord God, give strength and power to Your people, both now and forever. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

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

Mr. WALDEN of Oregon 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.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

> H. Con. Res. 38. Concurrent resolution providing for a joint session of Congress to receive a message from the President.

The message also announced that pursuant to section 8002 of title 26,

United States Code, the Chair, on behalf of the Committee on Finance, announces the designation of the following Senators as members of the Joint Committee on Taxation:

The Senator from Montana (Mr. BAUCUS).

The Senator from West Virginia (Mr. ROCKEFELLER).

The Senator from North Dakota (Mr. CONRAD).

The Senator from Iowa (Mr. GRASSLEY).

The Senator from Utah (Mr. HATCH).

PRESIDENT NEEDS TO GET SERIOUS ABOUT ADDRESSING NATION'S HEALTH CARE NEEDS

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

Mr. SIRES. Madam Speaker, the skyrocketing price of health care continues to be a major concern for millions of Americans. Skyrocketing costs are causing the number of uninsured Americans to increase by 1 million people every year since the President took office.

Last year, during his State of the Union Address, the President promised his administration would ''confront the rising cost of health care, strengthen the doctor-patient relationship, and help people afford the insurance coverage they need.'' The President did not live up to his promise.

Madam Speaker, the President can no longer afford to provide lip service on health care. The proposal that the President will unveil tonight will do nothing to lower health care costs, nor will it provide health insurance to more Americans. He should reject this proposal and instead work with this Democratic Congress to help come up with real health care solutions.

CONDEMNING THE BRUTAL MURDER OF HRANT DINK

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

Mr. ROYCE. Madam Speaker, I rise to condemn the brutal murder of newspaper editor and leading figure in the Armenian genocide debate in Turkey, Hrant Dink.

Last Friday freedom of speech suffered a setback as Dink was shot three times in the head in broad daylight outside of his office. As a Turkish citizen of Armenian descent, he had gained notoriety in Turkish society for the court cases brought against him, in which he faced jail time for simply talking of that genocide. Nationalists see such statements, they say, as insults to the honor of Turks.

Well, Dink was mourned worldwide, and journalists like him and Nobel Laureate Orhan Pamuk continue to be persecuted by suppressive laws that seek to stifle discussion on matters that are claimed to be insulting to Turkish identity.

It is my sincere hope that the Turkish Government uses this tragedy to revisit its laws and open up to free speech. The laws themselves are a catalyst for this type of intolerance.

STATE OF UNION ADDRESS PROVIDES OPPORTUNITY TO BEGIN WORKING IN BIPARTISAN FASHION

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

Mr. BRALEY of Iowa. Madam Speaker, last November the American people demanded real results to improve their everyday lives and strengthen middle-class families. Tonight President Bush has the opportunity to change course and work in a bipartisan way to deliver results for America's families.

The new Democratic Congress has not waited for the President to ask. In our first 100 hours, this House has already succeeded in passing legislation to raise the minimum wage, expand Federal funding for stem cell research, implement the recommendations of the bipartisan 9/11 Commission, require negotiation for lower prescription drug costs, make college more affordable and end subsidies for Big Oil to invest in clean, renewable energy.

Tonight I would hope that the President would voice support for these popular bills. After all, they received strong bipartisan support here in the House. On average, 67 Republicans supported each of these bills.

The Democratic Congress looks forward to working with the President to take America in a new direction, but in order to do that, the President needs to realize that he cannot continue down the same road he has traveled for the last 6 years. We will see tonight if he has learned that lesson.

CONGRESS NEEDS TO PASS THE SECURE RURAL SCHOOLS AND COMMUNITY SELF-DETERMINATION ACT

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

Mr. WALDEN of Oregon. Madam Speaker, the failure of Congress to reauthorize the Secure Rural Schools and Community Self-Determination Act amounts to breach of faith to the more than 600 forested counties across America.

For Grant County, Oregon, where 61 percent of the land in the county is Federal, this means the school district will now be forced to eliminate essential school programs and nearly double class sizes, delay school repairs and begin telling teachers, administrators and staff who gets to stay and who has to go.

School Superintendent Newell Cleaver puts it this way: ''We are watching our infrastructure being destroyed as this issue is debated in Congress. This program is the difference between rural schools remaining competitive with urban schools or not.''

Grant County Commissioner Boyd Britton says, ''If the Federal Government would simply allow us to manage these natural resources, we would not need these funds. However, losing these funds will be felt by every man, woman and child in the county, especially the school children.''

My colleagues, Congress needs to pass H.R. 17 and keep the Federal Government's word to timbered communities and the citizens who live there. Time is running out for them.

TIME TO GET TO THE PEOPLE'S AGENDA

(Ms. EDDIE BERNICE JOHNSON of Texas asked and was given permission to address the House for 1 minute.)

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, President Bush will deliver his State of the Union Address tonight. The American people have been very clear in what they want. They want a change in the tone, they want a change in direction in Iraq, and they want our national priorities to focus on helping families.

The President should use this opportunity to answer some questions. I know my constituents would like to hear three things from the State of the Union: One, how is the President going to work with Congress to really fix this country's broken health care system; two, how is the President going to bring our troops home swiftly and safely; and, three, when is the President really going to return to the domestic priorities.

The Democratically controlled House and Senate are ready for him to change his agenda, change his tone and get to the people's agenda. So tonight we hear from our President.

CONGRESS AND AMERICA MUST BACK AMERICAN TROOPS

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

Mr. SAM JOHNSON of Texas. Madam Speaker, I filed a bill to support our troops in harm's way, and I rise in support of them, and in support of this country and this Congress backing our brave men and women in uniform 100 percent.

I fear what all the talk of Washington about pulling funding for our troops is going to do to the privates and sergeants stationed in Camp Blue Diamond, think about it, for the next 11 months.

We are elected to protect our men and women in uniform, just as they protect our freedoms every day. Our guys are fighting for America. They are fighting for you and me.

All this talk of doom and gloom hurts mission success and stifles troop morale. It is imperative our Nation backs our troops to the hilt. As long as we deploy men and women across the

globe, we will never, ever leave a member of our military in harm's way without support. That is our Congress's responsibility.

Our troops are not the enemy. They deserve our full support, and that is why I hope folks will cosponsor my bill to support our troops in harm's way.

BUSH TROOP ESCALATION PLAN IS NOT GOING TO MAKE AMERICA SAFER

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

Ms. WATSON. Madam Speaker, in past State of the Union addresses, the President has promised the American people that he will strengthen America's security. Unfortunately, his policies have made the world more dangerous and America less safe. Now he wants to escalate the war in Iraq, despite the overwhelming opposition of the American people and many of his own generals.

After years of insisting we ''stay the course'' in Iraq, the President has finally decided to make a change. Unfortunately, it is one that puts more Americans in danger and further compromises our security here at home. There is no doubt that the war in Iraq was the defining issue during last year's election. Americans overwhelmingly voted in favor of a change in course, but not the one now proposed by President Bush.

Madam Speaker, tonight President Bush has a chance to show he has listened to the American people, his own generals, and Democratic and Republican Members of Congress.

PLEDGING THE SUPPORT OF CONGRESS TO UNITED STATES ARMED FORCES SERVING IN HARM'S WAY

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

Mr. NEUGEBAUER. Madam Speaker, I rise today and I am proud to follow my good friend from Texas, Mr. JOHNSON, and support his bill, H.R. 511, to say to those men and women across the world that are defending freedom and democracy on our behalf, we will not let you down; we will support you.

One of the things that there is a lot of debate in this House on and will be is about whether our mission is the right mission or not. But let there be no mistake that we cannot fail in our mission, and we cannot afford for our young men and women to ever doubt that this United States Congress will support them.

Also, I rise to honor today a great American, Roy Velez, Jr., who will be my guest tonight for the President's State of the Union message. Roy paid the ultimate price for our country in that he gave two sons to our efforts in Iraq and Afghanistan.

Madam Speaker, we cannot let our men and women have any doubt of our support, nor can we let their families doubt the support of this Congress.

So I rise in support and encourage all of my colleagues to support H.R. 511, to say to the men and women and our troops, thank you, God bless you, and we will support you.

TIME TO BRING OUR MISSING CHILDREN HOME

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

Mr. LAMPSON. Madam Speaker, when I last served in Congress, I made it my mission to discuss missing and exploited children at every opportunity, and I rise today to bring attention to the hundreds of thousands of children who go missing annually and to the thousands of children who go missing every day.

Pedro Maldonado is just one of those children. Pedro is missing from Camden, New Jersey. He is 17 years old and was last seen on September 14, last year. At that time he was 5′11″ and weighed 180 pounds. He is biracial, white and Hispanic, and has black hair and brown eyes. Pedro has a scar above his right eye and may still be seen in the local area. He may still be in the Camden area and is considered ''endangered missing.''

Madam Speaker, I ask that anyone who is watching this proceeding, especially if they are in New Jersey or New York, take a moment, look at Pedro's picture to see if you recognize him, and anyone having information should contact the National Center for Missing and Exploited Children at 1–800–THE-LOST or the Camden City Police Department at 856–757–7400.

Madam Speaker, it is time we bring our missing children home.

SUPPORT AMERICAN TROOPS

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

Mr. POE. Madam Speaker, the American soldier has always protected this Nation from those seeking to destroy our freedoms. U.S. soldiers go to the vast plains of combat. These troops forge onward into the fires of battle. They ensure generations of Americans that our interests will be protected around the world. Our volunteers expect their government to support them.

Now some Members of Congress talk of cutting funding to the American soldiers engaged in the desert battles of Iraq, and they want to pull our soldiers out a few at a time. This ill-advised political decision will leave U.S. soldiers abandoned and at the mercy of an enemy that will exploit this weakness.

But this action by Congress is not new. A previous Congress did not like the way a war was going and tried to change the policy and tried to change the plan. That Congress even complained about funds for the war and wanted a new leader.

Good thing that commander pressed on and won the war. He said to those skeptics and cynics in Congress, ''We should never despair. Our situation before has been unpromising, and has changed for the better. So it will again.'' The war was the War for Independence, and the Commander in Chief was George Washington.

And that's just the way it is.

□ 1215

PRESIDENT BUSH EXPECTED TO SPEAK OUT ABOUT GLOBAL WARMING TONIGHT AND NEEDS TO ACT

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

Mr. PAYNE. Madam Speaker, over the last week, we have heard that President Bush is finally going to admit tonight what most of us have known for many years, that global warming is actually occurring and that we as a Nation need to take action.

Tonight's expected pronouncement from the President is welcome news, but it does not excuse the administration's past record on global warming. Over the last 6 years the Bush administration has served as a major roadblock to reversing dangerous warming trends. The President walked away from international efforts to help reduce the growing danger to our planet, refusing to actually lead on this critically important issue.

In my home State of New Jersey, we are proud of the fact that former Governor Richard J. Codey took decisive action over a year ago to strengthen our State's efforts to combat global warming by classifying carbon dioxide as an air contaminant. This action made New Jersey one of the first States in the Union to take such a step. By contrast, the Bush administration has been in constant denial that environmental dangers to our planet exist. So, therefore, we hope that the Nation will take this seriously.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. JONES of Ohio). Members should not traffic the well while another Member is speaking.

FUNDING FOR TROOPS IN IRAQ

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

Mrs. BLACKBURN. Madam Speaker, efforts to cut off funding for our troops in harm's way is really unacceptable and would be a devastating message for us to send to our men and women in our Armed Forces, to their families, and to the families of our Nation's fallen heroes. No one knows this better

than SAM JOHNSON, our colleague from Texas, who is a true American hero; and I commend him for introducing House Resolution 511. I would commend it to every Member of this body to support.

And I want to say to the Democrats that if they should mean what they say and do what they mean, they really cannot have it both ways on this vote. To vote to support the troops in the field and then not give them the equipment and the supplies and the resources that they need to win is deceptive, it is dangerous, and it puts the lives of American servicemen and -women at risk.

The Democrat majority must understand the stakes in Iraq. Certainly, our constituents understand the stakes that are there, both in the terms of human life and global stability.

I would commend H.R. 511 to our colleagues for support.

PRESIDENT BUSH MUST BEGIN MOVING IN A NEW DIRECTION

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

Mr. CARNAHAN. Madam Speaker, last November the American people demanded dramatic changes and provided a substantial Democratic majority. Since the election, President Bush has yet to show he got the message.

While an overwhelming majority of Americans are demanding that the Iraqi Government take more control, the President has, instead, proposed an escalation plan that flies in the face of military experts, the bipartisan Iraq Study Group, Democrat and Republican leaders in Congress and the American public.

While the President continues his failure to listen when it comes to Iraq, I hope tonight he will actually propose some helpful solutions to some of the most pressing concerns of hardworking middle-class Americans like those I represent in the State of Missouri.

This Democratic House has already produced positive results for the American people, passing our promised 100-hour agenda. I hope the President embraces these policies tonight and shows the American people that he has heard their discontent and plans to work with the Democratic Congress that the American people chose to take us in a new direction.

SUPPORT FOR OUR TROOPS

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

Ms. FOXX. Madam Speaker, I rise today in full support of our troops and H.R. 511, legislation reaffirming Congress's support for the troops deployed in a theater of war. Those overseas protecting us from further terrorist attacks and fighting nobly on the Global War on Terror deserve our steadfast support.

The President has recognized missteps and offered a new direction and plan for victory. My colleagues on the other side of the aisle have yet to address the issue, except to criticize the President's plan before it has even been implemented. It was Leader BOEHNER and the Republican Conference that have called upon the Speaker to create a select committee on oversight to hold the President and Prime Minister Maliki accountable for progress in Iraq.

Madam Speaker, I stand here with pride and offer my full support to the brave soldiers who are helping foster democracy in the Middle East, while, at the same time preventing terrorists from attacking us on our soil. So many Members pledged ''We will never forget.'' Well, that is a promise I made and intend to fulfill.

To our troops, thank you for your dedication, bravery and noble work to make the world and America a better place, following in the footsteps of so many American heroes.

I commend Congressman SAM JOHNSON, an American hero, and urge support of H.R. 511.

THE PRESIDENT SHOULD LISTEN TO THE AMERICAN PEOPLE

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

Mr. MAHONEY of Florida. Madam Speaker, I am here today representing Florida's 16th District. Tonight we will listen to the President with the expectation that he will listen to the American people.

Our Nation is facing some of the greatest challenges of our time. From the war in Iraq, to global terrorism, to ending the addiction to foreign oil, the stakes are high and getting higher.

Americans understand the urgency of our challenges. It is time for the President to step up to the plate and offer real solutions that put America on the path to success and security.

I hope the President will offer a new strategy to win the war in Iraq and that that strategy will use diplomacy as its cornerstone, not troop escalation. Let me be clear. I am committed to supporting our brave men and women in uniform, but do not believe their role should be policing a civil war.

We need to turn our energy crisis into an opportunity by investing in domestic production of biofuels and alternative and renewable energies. Last year the President called for an end to America's addiction to oil. And one week later, he cut funding for the development of alternative fuels and energy-efficient technologies. Instead of rhetoric, we need results.

I ask the President to listen to the American people, to the message they sent last November. Our children depend on it.

SEVERE WINTER STORMS IN NEBRASKA

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

Mr. SMITH of Nebraska. Madam Speaker, I rise today to address the serious situation many of my constituents are facing. Recently, a series of severe winter storms and ice storms, more specifically, hit Nebraska, leaving thousands in the Third District without power.

An expedited major disaster declaration for 57 affected counties in Nebraska, almost all in the Third District, was granted, freeing up Federal funds to assist the utility companies and local governments with the immense recovery efforts.

Due to the severity of the storms, thousands of constituents were without power for days and even weeks. They lost wages, food spoiled and expenses began piling up.

During these trying weeks, neighbors, families, friends and strangers have worked together to aid and assist those in need. Donations were made. Generators, gas, food and shelter have poured in to assist those suffering from the effects of the storm.

Utility linemen have been working long hours and even volunteering to repair the shattered grid system.

This difficult time has brought about great personal sacrifice for many Nebraskans, and I strongly commend the volunteers and donors who have come to the aid of those in need.

I urge my colleagues in the House, whether or not your district has been hurt, to remember these folks as we take up tax issues, the AMT and the farm bill.

ENERGY

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

Mr. PERLMUTTER. Madam Speaker and Members of the House, tonight we will hear the President give his State of the Union address, and I expect and I am confident that he will address energy issues.

I had a meeting this morning with an Assistant Secretary from the Department of Energy, and I believe that we are going to have a chance to have bipartisan effort, Democrats and Republicans, coming together with the President to deal with energy efficiency, renewable energy, and redeveloping and re-energizing our distribution grid throughout the country. This is going to be good for all of America, no matter what side of the aisle you might be on, because it is good for national security. It is good for the climate, and it is good for jobs across this country.

In the Seventh Congressional District of Colorado, which I represent, the suburbs of Denver, we have the preeminent laboratory in America and in the world in the National Renewable

Energy Lab. And with this focus on energy conservation, renewable energy and distributing energy in a way that is reliable, we will make this country more secure. And I am confident that the President is going to focus on it, as will we in the Congress.

FUNDING FOR OUR TROOPS

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

Mr. HENSARLING. Madam Speaker, efforts to cut off funding for our troops in harm's way is simply unacceptable. It would be a devastating message to the brave men and women who serve in our Armed Forces, their families and the families of our Nation's fallen heroes. No one knows this better than SAM JOHNSON, a true American hero, and I commend him on introducing H.R. 511.

It is time for the Democrats to say what they mean and mean what they say. They can't have it both ways. To vote to support troops in the field and then vote not to give them the resources needed to win can be deceptive, dangerous, and could put the lives of American servicemen and -women at even greater risk.

If the Democrat majority does not support the President's plan, they are in the majority, they need to put forth their plan that is in the interest of the American people, and they must also reflect upon the cost of failure. They must understand how high the stakes are in Iraq, both in terms of human life and global stability. Our failure in Iraq could cause the nation to become what Afghanistan once was, a breeding ground for terrorists. Let's work together and find freedom and security in Iraq.

THE STATE OF THE UNION

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

Ms. CLARKE. Madam Speaker and my colleagues, the State of the Union?

Mr. President, we are on edge. The American public have said no to the war in Iraq and you have turned a deaf ear to this American admonition.

What does a troop escalation mean to American families?

More of our women and men, sons and daughters, brothers and sister, neighbors and friends will lose their lives or the life of someone they love, more families, such as the family of Operations Specialist Joseph Alomar, who gave his life in honor just this past week, and LCpl Nicholas Whyte, who gave his life this summer. More families, Mr. President, will be mourning. More of the American tax dollars will be spent on the war, rather than on building better schools, hospitals, roads and bridges.

Madam Speaker, in the 11th District of Brooklyn, New York, and in congressional districts around the country, Americans want our troops home.

Mr. President, end this war in Iraq. Redeploy our troops now. We need our domestic tranquility.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are reminded to address their remarks to the Chair.

SUPPORT OUR TROOPS

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

Mr. KINGSTON. Madam Speaker, I wanted to speak today about the debate on the war. And I have the honor of representing Fort Stewart, home of the Third Infantry Division, which is located in Hinesville and Savannah, Georgia.

This month the Third Infantry will start its third deployment to Iraq. And as they go over there, certainly they know what is going on in Washington in terms of the debate. But I think it is real important that we don't send a signal to our men and women in harm's way that what they are doing is irrelevant, that we can't win, and that because Bush might be a President whose policies aren't perfect that we need to withdraw.

In fact, I think what we should do is reaffirm on a bipartisan basis that we support the troops. We want to get them all the up-armored vehicles that they need, the Cougars, for example, blue tracking, the advanced night vision goggles. We should say on a bipartisan basis, we want to give them absolutely all the military hardware that they need to win the war. And then, in a separate debate, have the discussion of what an alternative is, where is the plan of the Bush critics and what is the price of pulling out. And I think we need to make that statement. And I am glad SAM JOHNSON is moving in that direction.

HEALTH CARE IN AMERICA

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

Mr. PALLONE. Madam Speaker, we must seriously begin to address the problem of the Nation's uninsured and the skyrocketing price of health insurance.

Unfortunately, the plan the President is expected to outline tonight will do nothing to cut down on the number of uninsured because a tax deduction simply is not going to be enough to make insurance affordable to low and middle-income workers. In most cases, individual health plans are more expensive to purchase and provide considerably less coverage, but the Bush administration is under the false impression that their tax deduction will provide enough of an incentive for uninsured workers to sign up.

At the same time, the Bush administration falsely believes they can begin to target the cost of health care premiums by taxing employee-based health benefits. This is nothing more than a tax increase on middle-class workers who have been lucky enough to secure good benefits through their job. Quality health benefits provided by employers should be the norm; and as policymakers, we should not discourage it.

The President's proposal is a nonstarter for me, Madam Speaker. But I am hopeful that I can work with the Bush administration to begin to solve some of our health care problems.

□ 1230

IN SUPPORT OF H.R. 511

(Mr. GARRETT of New Jersey asked and was given permission to address the House for 1 minute.)

Mr. GARRETT of New Jersey. Madam Speaker, I rise to associate myself today with the words of my colleague, Mr. SAM JOHNSON from Texas, a Member who can probably speak more eloquently than any Member of Congress on the loneliness, the separation, the uncertainty that is war, and the need to know for such soldiers that the Nation is behind them and supports them.

I have had the honor to travel and visit our troops in Iraq, and I have had the opportunity to visit the troops when they have returned. And in each and every one of them, I have seen their commitment and determination to the completion of their mission.

I have also had the opportunity to be with parents who have lost a son or daughter in the war, to look them in the eye and to hug them during that time, and to be with other parents who were about to see their son and daughter go off to war, and to be with them during those uncertain times.

Madam Speaker, at this point in time, this Nation and this Congress must double its commitment to our troops to make sure that they know that we are behind them and support them for their eventual and soon safe return to their families.

STATE OF THE UNION DOES NOT SUPPORT THE HISPANIC COMMUNITY

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

Mr. BACA. Madam Speaker, tonight the President will give the State of the Union Address. For Hispanics, the State of the Union Address is disappointing. The President has broken his promise on education and cut funding for programs at the expense of Hispanic children. He has failed to support the higher minimum wage, and forced nearly 3 million of our workers to struggle to feed their families.

While Hispanics are fighting and dying in a mistaken war, President Bush still has no plan to make our country safer. Even when the country has cried for a comprehensive immigration reform, the President has failed to lead his own party to make the right course or take the right course of action.

Last November, Hispanics along with all Americans voted for a new direction for America. Thanks to Speaker PELOSI and the Democratic Caucus, half the Hispanic Caucus are now in leadership positions. Ya es tiempo para una nueva direccion! (It's time for a new direction!)

SUPPORT H.R. 511

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

Mr. MCHENRY. Madam Speaker, today I rise to encourage my colleagues to support the troops in harm's way. We are fighting an ongoing war on terror not just in Iraq, but around the globe, and it is immoral for Members of this body to defund troops that are in harm's way.

That is why I commend my colleague SAM JOHNSON for stepping forward, for a resolution saying that we are not going to defund troops in harm's way, that we are going to stand beside them and fight with them in this war on terrorism and this war in Iraq, because, after all, terror is merely a tactic that Islamic extremists are using to fight the West.

As one of the last great powers in this world, we are the embodiment of the West. Therefore the Islamic extremists are seeking to destroy and undermine our society. So now more than ever we have to stand with our troops in harm's way so that they can defend us and make it possible for us to live in a vibrant, free Nation and a great economy.

SUPPORT H.R. 511

(Mrs. BACHMANN asked and was given permission to address the House for 1 minute.)

Mrs. BACHMANN. Madam Speaker, I rise today to let all of our troops serving overseas know that America supports you. Eliminating or cutting funding for our men and women who wear the uniform of the United States is not a recipe for ensuring stability in the Middle East; in fact, it is a recipe for demoralization, and it is irresponsible in its proposal. I urge all Members to support our troops and oppose any effort to cut off or restrict funding for American troops in harm's way, whether in Iraq, in Afghanistan, or elsewhere in the global war on terror.

It is imperative that we fully support those who are on the front lines fighting the war on terror. America thanks you, our brave men and women in uniform.

SUPPORT H.R. 511

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

Mr. GOHMERT. Madam Speaker, I rise in support of SAM JOHNSON's resolution. I visited this fall with a Specialist William Barth at Walter Reed. I got this e-mail from his father, and I talked to his wife Rachel this morning. They encouraged me to proceed with this.

This is Specialist William Barth. His father said:

> I wanted to thank you for visiting my son, Specialist William Barth, at Walter Reed. William was injured by an IED in Iraq around September 8, 2006. He since has recovered from these injuries and he has been redeployed to Iraq. He is heading there now.
>
> William is committed to his job and his fellow soldiers. He could have chosen to stay stateside; however, he felt the job, his job, was not finished. I have another son, Sergeant Aaron Barth, who is equally committed to the cause of freedom. Aaron has already served over a year in Iraq and is preparing to return as well.
>
> Mr. Gohmert, my family is behind the President 100 percent. We are committed to the cause of freedom. Keep up the good work and do not allow anyone to defund the military. The next time you see the President, let him know that fellow Texans are praying for him, for you and for our Nation.

Now, this is support for the troops. That is what we need to be about, not defunding these guys fighting for us.

SUPPORT H.R. 511

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

Mr. PRICE of Georgia. Madam Speaker, I am pleased to rise today in support of H.R. 511 introduced by Mr. SAM JOHNSON of Texas, which says that we ought to pledge the faithful support of Congress to members of the United States Armed Forces serving in harm's way.

Madam Speaker, there are a lot of things we can disagree on on this floor of the House, but cutting funding for our troops ought not be one of them. As many others have done, I have also visited Walter Reed and talked to the brave men and women who have served there, not just from my district, from my State and around the Nation. And when I ask them, is there anything that we can do for you, the vast majority of them say, Congressman, just let me get back to my unit.

Madam Speaker, that sense of duty, that sense of honor, that sense of commitment and that sense of patriotism is something we in Congress would do well to emulate. This resolution says that members of the United States Armed Forces have served honorably in their mission to fight terrorism and protect the greater security of the United States, that these members of the Armed Forces and their families have made many sacrifices. This resolution, Madam Speaker, deserves our support.

OUR TROOPS NEED TO LEAVE IRAQ

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

Mr. KUCINICH. Madam Speaker, so what is the state of our Union? It is war. It is neglect of an overt agenda. The President will come to our country tonight, and he will give us more war, 21,500 troops sent to escalate the war in Iraq, a war that has cost the lives of 650,000 innocent Iraqi civilians.

We need our President to realize that it is time to take a new direction, and that direction is out of Iraq. It is time to end the occupation, to withdraw our troops, to close the bases. It is time for us to work with the international community in an overall peace plan, which I presented to this Congress. The Kucinich plan calls for not only ending the occupation, withdrawing troops, closing the bases, but also an international peace plan that enables the Iraqi people to have the security they need through reconciliations, through reparations, and through paying for reconstruction.

The United States must lead the way with the international community in a plan for peace. The President must take a new direction.

PROVIDING FOR A JOINT SESSION OF CONGRESS TO RECEIVE A MESSAGE FROM THE PRESIDENT

The SPEAKER pro tempore (Mrs. JONES of Ohio). The Chair lays before the House a privileged Senate amendment to the concurrent resolution (H. Con. Res. 38) providing for a joint session of Congress to receive a message from the President.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The Clerk will report the Senate amendment.

The Clerk read as follows:

> Senate amendment:
>
> Page 1, line 3, strike out ''Wednesday'' and insert ''Tuesday''.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PROVIDING FOR AN ADJOURNMENT OF THE HOUSE

Mr. FRANK of Massachusetts. Madam Speaker, I send to the desk a privileged concurrent resolution (H. Con. Res. 41) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 41

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on the legislative day of Wednesday, January 24, 2007, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Monday, January 29,

2007, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Wednesday, January 31, 2007, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand adjourned until 2 p.m. on Monday, February 5, 2007, or until the time of any reassembly pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker or her designee, after consultation with the Minority Leader, shall notify the Members to reassemble at such place and time as she may designate if, in her opinion, the public interest shall warrant it.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Record votes on postponed questions will be taken later today.

SEASONED CUSTOMER CTR EXEMPTION ACT OF 2007

Mr. FRANK of Massachusetts. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 323) to amend section 5313 of title 31, United States Code, to reform certain requirements for reporting cash transactions, and for other purposes.

The Clerk read as follows:

H.R. 323

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 ''Seasoned Customer CTR Exemption Act of 2007''.

SEC. 2. EXCEPTION FROM CURRENCY TRANSACTION REPORTS FOR SEASONED CUSTOMERS.

(a) FINDINGS.—The Congress finds as follows:

(1) The completion of and filing of currency transaction reports under section 5313 of title 31, United States Code, poses a compliance burden on the financial industry.

(2) Due to the nature of the transactions or the persons and entities conducting such transactions, some reports as currently filed may not be relevant to the detection, deterrence, or investigation of financial crimes, including money laundering and the financing of terrorism.

(3) However, the data contained in such reports can provide valuable context for the analysis of other data derived pursuant to subchapter II of chapter 53 of title 31, United States Code, as well as investigative data, which provide invaluable and indispensable information supporting efforts to combat money laundering and other financial crimes.

(4) An appropriate exemption process from the reporting requirements for certain currency transactions that are of little or no value to ongoing efforts of law enforcement agencies, financial regulatory agencies, and the financial services industry to investigate, detect, or deter financial crimes would continue to fulfill the compelling need to produce and provide meaningful information to policy-makers, financial regulators, law enforcement, and intelligence agencies, while potentially lowering the compliance burden placed on financial institutions by the need to file such reports.

(5) The Secretary of the Treasury has by regulation, and in accordance with section 5313 of title 31, United States Code, implemented a process by which institutions may seek exemptions from filing certain currency transaction reports based on appropriate circumstances; however, the financial industry has not taken full advantage of these provisions and has contended that they are unduly burdensome.

(6) The act of providing notice to the Secretary of the Treasury of designations of exemption—

(A) provides meaningful information to law enforcement officials on exempt customers and enables law enforcement to obtain account information through appropriate legal process; and

(B) complements other sections of title 31, United States Code, whereby law enforcement can locate financial institutions with relevant records relating to a person of investigative interest, such as information requests made pursuant to regulations implementing section 314(a) of the USA PATRIOT Act of 2001.

(7) A designation of exemption has no effect on requirements for depository institutions to apply the full range of anti-money laundering controls required under subchapter II of chapter 53 of title 31, United States Code, and related provisions of law, including the requirement to apply the customer identification program pursuant to section 5326 of such title, and the requirement to identify, monitor, and, if appropriate, report suspicious activity in accordance with section 5318(g) of such title.

(8) The Federal banking agencies and the Financial Crimes Enforcement Network have recently provided guidance through the Federal Financial Institutions Examination Council Bank Secrecy Act/Anti-Money Laundering Examination Manual on applying appropriate levels of due diligence and identifying suspicious activity by the types of cash-intensive businesses that generally will be subject to exemption.

(b) SEASONED CUSTOMER EXEMPTION.—Section 5313(e) of title 31, United States Code, is amended to read as follows:

''(e) QUALIFIED CUSTOMER EXEMPTION.—

''(1) IN GENERAL.—Before the end of the 270-day period beginning on the date of the enactment of the Seasoned Customer CTR Exemption Act of 2007, the Secretary of the Treasury shall prescribe regulations that exempt any depository institution from filing a report pursuant to this section in a transaction for the payment, receipt, or transfer of United States coins or currency (or other monetary instruments the Secretary of the Treasury prescribes) with a qualified customer of the depository institution.

''(2) QUALIFIED CUSTOMER DEFINED.—For purposes of this section, the term 'qualified customer', with respect to a depository institution, has such meaning as the Secretary of the Treasury shall prescribe, which shall include any person that—

''(A) is incorporated or organized under the laws of the United States or any State, including a sole proprietorship (as defined in 31 C.F.R. 103.22(d)(6)(vii), as in effect on January 4, 2007), or is registered as and eligible to do business within the United States or a State;

''(B) has maintained a deposit account with the depository institution for at least 12 months; and

''(C) has engaged, using such account, in multiple currency transactions that are subject to the reporting requirements of subsection (a).

''(3) REGULATIONS.—

''(A) IN GENERAL.—The Secretary of the Treasury shall prescribe regulations requiring a depository institution to file a 1-time notice of designation of exemption for each qualified customer of the depository institution.

''(B) FORM AND CONTENT OF EXEMPTION NOTICE.—The Secretary shall by regulation prescribe the form, manner, content, and timing of the qualified customer exemption notice and such notice shall include information sufficient to identify the qualified customer and the accounts of the customer.

''(C) AUTHORITY OF SECRETARY.—

''(i) IN GENERAL.—The Secretary may suspend, reject, or revoke any qualified customer exemption notice, in accordance with criteria prescribed by the Secretary by regulation.

''(ii) CONDITIONS.—The Secretary may establish conditions, in accordance with criteria prescribed by regulation, under which exempt qualified customers of an insured depository institution that is merged with or acquired by another insured depository institution will continue to be treated as designated exempt qualified customers of the surviving or acquiring institution.''.

(c) 3-YEAR REVIEW AND REPORT.—Before the end of the 3-year period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Attorney General, the Secretary of Homeland Security, the Federal banking agencies, the banking industry, and such other persons as the Secretary deems appropriate, shall evaluate the operations and effect of the provisions of the amendment made by subsection (a) and make recommendations to Congress as to any legislative action with respect to such provision as the Secretary may determine to be appropriate.

SEC. 3. PERIODIC REVIEW OF REPORTING THRESHOLD AND ADJUSTMENT FOR INFLATION.

Section 5318 of title 31, United States Code, is amended by adding at the end the following new subsection:

''(o) PERIODIC REVIEW OF REPORTING THRESHOLD AND ADJUSTMENT FOR INFLATION.—

''(1) IN GENERAL.—Before the end of the 90-day period beginning on the date of the enactment of the Seasoned Customer CTR Exemption Act of 2007 and at least every 5 years after the end of such period, the Secretary of the Treasury shall—

''(A) review the continuing appropriateness, relevance, and utility of each threshold amount or denomination established by the Secretary, in the Secretary's discretion, for any report required by the Secretary under this subchapter; and

''(B) adjust each such amount, at such time and in such manner as the Secretary considers appropriate, for any inflation that the Secretary determines has occurred since the date any such amount was established or last adjusted, as the case may be.

''(2) REPORT.—Before the end of the 60-day period beginning upon the completion of any review by the Secretary of the Treasury under paragraph (1), the Secretary shall submit a report to the Congress containing the findings and conclusions of the Secretary in connection with such review, together with an explanation for any adjustment, or lack of adjustment, of any threshold amount or denomination by the Secretary as a result of

such review, including the adjustment for inflation.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Alabama (Mr. BACHUS) each will control 20 minutes.

The Chair recognizes the gentleman from Massachusetts.

GENERAL LEAVE

Mr. FRANK of Massachusetts. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to express themselves on this and to include therein extraneous material.

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

There was no objection.

Mr. FRANK of Massachusetts. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, this is an example of sensible regulation because sensible regulation includes deregulation when that is appropriate.

The Committee on Financial Services reported this bill out last year. It passed the House. Surprisingly it managed not to make it through the Senate. The efficiency of that body failed us on this occasion apparently, but we are going to try again.

We believe in regulation, and this is an important area where we provide information to our financial detectives, and it is especially important with regard to terrorist financing.

But too much regulation can defeat the purpose for which regulation is intended, and we have a situation now where the banks are required to report every year on customers' transactions of $10,000 or more. Now, one of the things this bill would do is give the Secretary of the Treasury the authority to increase a dollar figure that has been left unadjusted for inflation for too long.

More importantly, we are talking now about the exemption that is given to what we call seasoned customers of the bank. When the banks are dealing, and this is particularly important for our community bankers, when they are dealing with people whom they know, with whom they have had regular and continuing relationships, having to report every time they do a transaction of $10,000 or more generates extra work for the bank, and I believe, if anything, interferes with the ability of the regulators to find what they should be looking for.

If we are telling people to find needles, we should not set about building them bigger haystacks. What this bill says is that where we are talking about regular customers, regular seasoned customers, they can apply for the exemption, which is in the control of the Secretary of the Treasury, with careful criteria.

And having received that exemption, as long as they remain seasoned customers of the same bank, that process does not have to be repeated every 2 years. It reduces the regulatory burden on banks, and it is particularly important to small banks.

I would ask at this point, Madam Speaker, under my general leave to include a letter to myself and the gentleman from Alabama from America's Community Bankers strongly endorsing this bill.

AMERICA'S COMMUNITY BANKERS

Washington, DC, January 22, 2007.

Hon. BARNEY FRANK,

Chairman, Financial Services Committee, House of Representatives Washington, DC.

Hon. SPENCER BACHUS

Ranking Member, Financial Services Committee, House of Representatives Washington, DC.

Dear Chairman Frank and Ranking Member Bachus: America's Community Bankers is pleased to support H.R. 323, the Seasoned Customer CTR Exemption Act of 2007. The legislation would make important improvements to the current exemption system for cash transaction reports (CTRs) by making it easier to exempt the routine transactions of certain seasoned business customers. H.R. 323 would more appropriately balance the cost and benefits of the Bank Secrecy Act's CTR reporting requirements. The legislation would also reduce the number of CTRs filed on routine transactions of well-known, law abiding customers.

We urge the full House of Representatives to adopt H.R. 323 and look forward to working with you to enact this important legislation.

While we fully support H.R. 323, we urge the Committee to modernize the Bank Secrecy Act further by increasing the $10,000 threshold that triggers CTR filing. This threshold has not been updated since 1970. Increasing the $10,000 trigger would more appropriately balance the reporting obligations of depository institutions and the information needs of law enforcement agencies.

Sincerely,

ROBERT R. DAVIS,

Executive Vice President and Managing Director, Government Relations.

□ 1245

What this will do is to reduce the paperwork burden on the banks; it will ease the burden on the regulators. It will not diminish in any way the flow of information that is needed for those whose job it is to keep us safe.

Madam Speaker, I reserve the balance of my time.

Mr. BACHUS. Madam Speaker, I yield 3 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Madam Speaker, I thank the gentleman for yielding. I certainly thank him for his leadership in this area to remove some unneeded regulation on our financial institutions. I also want to thank our new chairman, the gentleman from Massachusetts, for his steadfast support on this issue as well.

Madam Speaker, current Federal regulations require financial institutions to file a currency transaction report with the IRS for any customer transaction over $10,000 during a business day.

We all know that these CTRs, as they are called, are designed to help our Federal law enforcement thwart money laundering and other illegal activities; but the problem is that this $10,000 threshold which was set in 1970 is so low in the existing exemption process, so cumbersome and costly that it is causing banks to repeatedly file CTRs for many of their known and expected regular business transactions for their well-known customers.

And it doesn't matter if that business has been a so-called ''seasoned customer'' for the financial institution for 5, 10, 15 or even 20 years. Right now it is simply too difficult for our financial institutions to apply for exemptions for our customers that they know are not a risk. So this forces, Madam Speaker, our financial institutions to file CTRs when they know the customer is not a risk just to protect themselves from legal liability or potential large fines.

And so when law enforcement is looking for a needle in a haystack, our financial institutions are being asked to put more hay on the stack and they are being told to pay for it by taking money away from their local communities that otherwise could be used for local lending. If the financial institutions passed these CTR compliance costs on to customers, through higher fees or higher interest rates, it makes it more difficult for American citizens to save for retirement, finance a child's college education, or launch a small business that creates jobs.

This bill, which I have long supported, will fix this problem by clarifying the existing CTRs filing exemption for seasoned customers. And as a result of this legislation, when passed, a number of the 13 million-plus CTRs filed annually would stop, allowing banks to devote more of their resources to improving other suspicious activity reporting.

The fact remains, Madam Speaker, when we come across a regulation like this, if we cannot determine a compelling reason for it to exist in the modern marketplace, we have a duty to either modify it or eliminate it, and that is what we are doing today.

Congress today can help reduce the cost of banking for customers without jeopardizing critical law enforcement goals. I urge all of my colleagues to support this important bill.

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

Mr. BACHUS. Madam Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. GILLMOR).

Mr. GILLMOR. I thank the gentleman for yielding. I would also like to thank my colleagues on the Financial Services Committee for their diligence on this legislation.

This much-needed regulatory relief provision will help reduce unnecessary paperwork for both banks and for their regulators. And by granting an exemption from currency transaction report requirements for seasoned customers, this legislation seeks to streamline the filing of CTRs, which is a critical tool for our law enforcement officials.

There is little doubt that our regulatory structure has contributed to the United States being the model for the world when it comes to financial services; but without constant attention to the burdens of outdated rules and regulations, our markets can be weighted down by unnecessary costs.

I am pleased to see that Congress is tackling the issues of the regulatory burden early in this session, and I look forward to working with Chairman FRANK, Chairman MALONEY, and Ranking Member BACHUS and the other members to look for ways to find sensible regulatory relief for our banks, our thrifts, and our credit unions.

Mr. BACHUS. Madam Speaker, I yield 2 minutes to the gentleman from New Jersey.

Mr. GARRETT of New Jersey. I thank the gentleman.

I, too, rise today in support of H.R. 323, the Seasoned Customer CTR Exemption Act of 2007, legislation which seeks to reduce the regulatory burden caused by the previous Bank Secrecy Act and does so by simplifying exemptions for financial institutions, banks, for example, in their currency transaction reports, their CTRs, on seasoned customers.

You know, while well-intentioned CTRs have imposed a tremendous regulatory burden on financial institutions without a corresponding increase in benefit to our efforts to thwart terrorist attacks, for the most part law enforcement agencies have found these reports to be largely useless in the prevention of crimes and terrorist attacks, while banks have found the filing costs and regulatory burden they create enormous.

Currency transaction reports were created to follow any large transaction through the banking industry to catch money laundering before it became a fait accompli, but the provision that created them is now outdated. What was considered a large amount of money back in 1970 is hardly so today; in fact, the threshold for filing a CTR is $10,000, which in today's term is close to $50,000.

So with the provisions caught in time, banks are now locked in a situation by which they are filing CTRs for many everyday transactions; and because of the frequency of these filings, paper overflows and the actual tracking of criminal activity is severely hampered. Potentially criminal transactions that should be setting all alarms with the banks and law enforcement agencies are drowned out in a sea of paperwork.

This legislation then is a good start towards helping reduce regulatory burdens on our Nation's banks and financial institutions, and I therefore encourage all of my colleagues to support this important legislation.

Mr. BACHUS. Madam Speaker, I yield 2 minutes to the gentleman from Texas (Mr. NEUGEBAUER).

Mr. NEUGEBAUER. Madam Speaker, I rise today in support of H.R. 323, the Seasoned Customer CTR Exemption Act.

I appreciate the work of Chairman FRANK and Ranking Member BACHUS to introduce this legislation and get it on the floor quickly in this Congress.

The last Congress succeeded in passing some much-needed and long overdue regulatory relief for some of our financial institutions. Unfortunately, the provisions that originally were passed in this body as related to the CTR exemption were not included in that very important legislation.

In passing H.R. 323 today, the House is saying once more that we believe financial institutions, their customers and national security will be better served by exempting institutions from filing CTRs for their very qualified and seasoned customers.

Banks in my district have been telling me for the past few years that this legislation is needed. They tell us about the countless staff hours that it takes to file reports for customers that they have had relationships with for 20, 30 and 40 years just to be in compliance with the current regulation.

Under H.R. 323, instead of filing a form every time one of their long-standing seasoned customers comes in with a transaction over $10,000, they will file a one-time exemption for that customer to be recognized as a seasoned and qualified customer. I think that makes more sense for the American people. I think it makes more sense to use common sense.

Someone told me recently that the District of Columbia geographically is a 10-square-mile area, some have said it is a 10-square-mile logic-free environment. Well, we have an opportunity to overcome that feeling today by bringing some logic to the way we handle these cash transactions.

I urge my colleagues to support H.R. 323. Let's bring some common sense and logic back into the way government handles national security and recognize that banks and their seasoned customers, those relationships are long-standing and that time would be better served in looking at other opportunities.

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

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

I want to take this occasion to first thank Mr. FRANK and congratulate him. I think this is the first piece of legislation that he is bringing to the floor in his capacity as the new chairman of the Financial Services Committee. I congratulate you on your appointment to that important position, Mr. FRANK.

Mr. FRANK of Massachusetts. I thank the gentleman, and if the gentleman would yield.

Mr. BACHUS. Yes, I would yield.

Mr. FRANK of Massachusetts. I would certainly recommend the way this bill is being treated and received on both sides as a precedent that I hope will be followed.

Mr. BACHUS. That sounds very good to me.

I do want to thank you for this piece of legislation because I think it is both a predictor of the past in that this committee has worked in a bipartisan way to do the right thing for both the customers of financial services and for the financial services institutions. And I am very optimistic that we will continue to work together.

I am going to yield back the balance of my time. I have about a five-page statement that I will spare the body having to listen to.

I do want to say this: last year this legislation came up, a similar legislation to this, both in March and July of last year; so this is basically our third shot in less than a year. It amends the Bank Secrecy Act; it amends specifically the part of that act dealing with currency transaction reports. It does not amend the part dealing with suspicious activity reports. They will continue to report to the different law enforcement agencies. What this will affect is your drug stores, your grocery stores, your retail outlets, who every day are filing these reports.

It is estimated by the Financial Crimes Enforcement Network that the cost of these alone is 25 minutes spent filing each one of these reports. So this is going to be a tremendous burden taken away from them. The American Banking Association said that it will result in a savings of $187 million annually.

I rise in strong support of H.R. 323, The Seasoned Customer CTR Exemption Act of 2007.

H.R. 323, which I introduced with Chairman FRANK, simplifies the process by which financial institutions may be exempted from filing currency transaction reports, CTRs, for seasoned customers while still ensuring valuable information is passed on to law enforcement.

Twice last year, legislation similar to H.R. 323 passed the House overwhelmingly: H.R. 5341, the Seasoned Customer CTR Exemption Act of 2006 passed the House by voice vote last July. In addition, the language was included in the House-passed version of regulatory relief legislation—H.R. 3505—which passed the House last March by a vote of 415–2.

H.R. 323 seeks to reduce regulatory burden caused by the Bank Secrecy Act. Specifically, the legislation requires regulators to promulgate new regulations and streamline the process by which financial institutions may be exempted from filing CTRs for seasoned customers. CTRs are required to be filed for cash transactions of $10,000 and above. This filing is required even in the case of seasoned customers—long-time bank customers that routinely deal in large volumes of cash, but whose business dealings are well-enough understood to rule out the possibility of money laundering or the financing of terror.

The Financial Crimes Enforcement Network, FinCEN, which administers the Bank Secrecy Act, received over 12 million CTRs in 2005. According to a survey conducted by the Treasury Department, more than 30 percent of

these CTRs were on recurring customer transactions that were eligible for exemption for filing under existing rules.

Unfortunately, the current process by which a financial institution can exempt seasoned customers is rarely invoked because it is difficult to understand, needlessly cumbersome, and subject to redundant renewals.

The filing of these superfluous forms imposes an unnecessary cost on both the financial services industry and the law enforcement community.

With respect to the financial services industry, according to data released last year the number of CTRs filed on an annual basis now tops 13.1 million. Even FinCEN's conservative estimate of around 25 minutes per report for filing and recordkeeping indicates the banking industry as a whole devoted about 5.5 million staff hours to handling CTRs in 2005.

Based on a survey by the American Bankers Association, the industry paid around $187 million in wages for this staff time.

A typical bank with $2 billion of assets filed 1,400 CTRs in 2005. These filings took 583 staff-hours, with 438 of the staffhours simply to report on long-standing customers.

With respect to the law enforcement community, not only do these superfluous reports add nothing to its efforts, they actually make it more difficult for the law enforcement community to track suspicious activity by requiring it to wade through millions of pages of unnecessary paperwork.

The Government Accountability Office, GAO, the Internal Revenue Service, IRS, and FinCEN have all recommended that the number of CTRs be reduced by 30 to 40 percent by simply exempting large well-established customers or so-called seasoned customers.

In 1994, the GAO published a report which concluded, based upon an extensive analysis of CTRs, that the volume of reports could be substantially reduced without jeopardizing law enforcement priorities. According to that report, in 1993 the IRS, which administers the CTR program, stated that 30 to 40 percent of these reports of routine deposits by large, well-established retail businesses have no likelihood of identifying potential money laundering or other currency violations.

William Fox, who headed up FinCEN from 2003 to 2006, testified as follows before our Committee:

> We know that some of the currency transaction reports filed by financial institutions are of little relevance in the investigation of financial crimes. We also know that depository institutions, especially our community banks, identify the time and expense of filing CTRs as the number one regulatory expense. It is clear that our efforts to encourage the exemption of routine filings on certain customers has not brought about the reductions of filings that were sought.

H.R. 323 will reduce the number of CTRs by clarifying the exemption process, thereby freeing financial institutions from having to file CTRs for routine cash transactions with their long- time customers, i.e. supermarkets, fast food restaurants or warehouse stores. This will enable law enforcement to target its resources on CTRs where criminal or terrorist activity is suspected. Moreover, under the legislation, banks will still be required to report suspicious transactions engaged in by exempted businesses pursuant to the Suspicious Activity Reporting regime administered by FinCEN.

Let me close by thanking Chairman FRANK, Congressman HENSARLING, Congressman MOORE, Congressman RENZI, Congresswoman HOOLEY, and Congresswoman MALONEY for all of their work on this legislation. Since this is the first bill that the gentleman from Massachusetts has brought to the floor in his capacity as Chairman of the Financial Services Committee, I want to congratulate him on his appointment, and tell him that I look forward to working with him to build on the record of bipartisan legislative accomplishments that our Committee has compiled over the past several Congresses.

Finally, let me also thank Former FinCEN Director Fox, who deserves a lot of credit for his work on this issue. I look forward to working with the Senate and the new FinCEN Director to ensure that this important legislation is signed into law.

Ms. HIRONO. Madam Speaker, I rise in strong support of H.R. 323, the Seasoned Customer CTR Exemption Act. This bill eliminates a no-longer-necessary regulatory requirement which increases the costs of doing business for hundreds of financial institutions and their customers who ultimately bear the cost of this regulation.

H.R. 323 provides long overdue relief for our financial institutions from the requirement of keeping records and filing reports called Currency Transaction Reports (CTRs) to the Treasury Department for any financial transaction valued in excess of $10,000.00.

While the original purpose of the regulation, to identify suspected money laundering activities, was a commendable tool for Federal prosecutors, its utility has been adequately replaced since 1996 by the filing of Suspicious Activity Reports required by Treasury Department's Financial Crimes Enforcement Network. The CTRs are no longer the primary tool to identify suspected money laundering activities but banks must still file these reports, unless an exemption is given by the Department to certain "qualified business customers." The exemption procedures, however, have been found to be difficult to understand, cumbersome and still required the banks to obtain annual renewals.

This legislation will allow by statute the Treasury Department to issue regulations that would permit depository institutions to apply for an exemption from the requirement to file CTRs on a "qualified customer." The bill defines a qualified customer as any business organized or incorporated under state or federal law that has maintained a deposit account with the institution for at least twelve months and engaged in multiple currency transactions otherwise subject to the reporting requirement.

An estimated 30 percent of the 12 million CTRs received by the Treasury Department were filed on recurring customer transactions that were eligible for exemption under the current law. This bill will relieve financial institutions of the costly and unnecessary requirement to file CTRs in those instances and allow them to file a one-time notice of exemption for each qualified customer.

The Department will still be permitted where justified to suspend, reject or revoke such exemption notices to assure that it performs its legal duties. It also requires the department to report back within 3 years of enactment on the effects of the bill.

This bill is an example of Congress taking appropriate action after reviewing a regulatory requirement that made sense when first enacted but which no longer is needed. Too often, these burdensome requirements continue on the books to the detriment of our business community. Congress should continue to work with our business community to identity other instances of unnecessary regulations and requirements so that appropriate action can be taken.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts (Mr. FRANK) that the House suspend the rules and pass the bill, H.R. 323.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 65

Mr. TANNER. Madam Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 65.

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

There was no objection.

DISTRICT OF COLUMBIA AND UNITED STATES TERRITORIES CIRCULATING QUARTER DOLLAR PROGRAM ACT

Mr. GUTIERREZ. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 392) to provide for a circulating quarter dollar program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, and for other purposes.

The Clerk read as follows:

H.R. 392

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 "District of Columbia and United States Territories Circulating Quarter Dollar Program Act".

SEC. 2. ISSUANCE OF REDESIGNED QUARTER DOLLARS HONORING THE DISTRICT OF COLUMBIA AND EACH OF THE TERRITORIES.

Section 5112 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(r) REDESIGN AND ISSUANCE OF CIRCULATING QUARTER DOLLAR HONORING THE DISTRICT OF COLUMBIA AND EACH OF THE TERRITORIES.—

"(1) REDESIGN IN 2009.—

"(A) IN GENERAL.—Notwithstanding the fourth sentence of subsection (d)(1) and subsection (d)(2) and subject to paragraph (6)(B), quarter dollar coins issued during 2009, shall have designs on the reverse side selected in accordance with this subsection which are emblematic of the District of Columbia and the territories.

"(B) FLEXIBILITY WITH REGARD TO PLACEMENT OF INSCRIPTIONS.—Notwithstanding

subsection (d)(1), the Secretary may select a design for quarter dollars issued during 2009 in which—

''(i) the inscription described in the second sentence of subsection (d)(1) appears on the reverse side of any such quarter dollars; and

''(ii) any inscription described in the third sentence of subsection (d)(1) or the designation of the value of the coin appears on the obverse side of any such quarter dollars.

''(2) SINGLE DISTRICT OR TERRITORY DESIGN.—The design on the reverse side of each quarter dollar issued during 2009 shall be emblematic of one of the following: The District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

''(3) SELECTION OF DESIGN.—

''(A) IN GENERAL.—Each of the 6 designs required under this subsection for quarter dollars shall be—

''(i) selected by the Secretary after consultation with—

''(I) the chief executive of the District of Columbia or the territory being honored, or such other officials or group as the chief executive officer of the District of Columbia or the territory may designate for such purpose; and

''(II) the Commission of Fine Arts; and

''(ii) reviewed by the Citizens Coinage Advisory Committee.

''(B) SELECTION AND APPROVAL PROCESS.—Designs for quarter dollars may be submitted in accordance with the design selection and approval process developed by the Secretary in the sole discretion of the Secretary.

''(C) PARTICIPATION.—The Secretary may include participation by District or territorial officials, artists from the District of Columbia or the territory, engravers of the United States Mint, and members of the general public.

''(D) STANDARDS.—Because it is important that the Nation's coinage and currency bear dignified designs of which the citizens of the United States can be proud, the Secretary shall not select any frivolous or inappropriate design for any quarter dollar minted under this subsection.

''(E) PROHIBITION ON CERTAIN REPRESENTATIONS.—No head and shoulders portrait or bust of any person, living or dead, and no portrait of a living person may be included in the design of any quarter dollar under this subsection.

''(4) TREATMENT AS NUMISMATIC ITEMS.—For purposes of sections 5134 and 5136, all coins minted under this subsection shall be considered to be numismatic items.

''(5) ISSUANCE.—

''(A) QUALITY OF COINS.—The Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) in uncirculated and proof qualities as the Secretary determines to be appropriate.

''(B) SILVER COINS.—Notwithstanding subsection (b), the Secretary may mint and issue such number of quarter dollars of each design selected under paragraph (4) as the Secretary determines to be appropriate, with a content of 90 percent silver and 10 percent copper.

''(C) TIMING AND ORDER OF ISSUANCE.—Coins minted under this subsection honoring the District of Columbia and each of the territories shall be issued in equal sequential intervals during 2009 in the following order: the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

''(6) OTHER PROVISIONS.—

''(A) APPLICATION IN EVENT OF ADMISSION AS A STATE.—If the District of Columbia or any territory becomes a State before the end of the 10-year period referred to in subsection (l)(1), subsection (l)(7) shall apply, and this subsection shall not apply, with respect to such State.

''(B) APPLICATION IN EVENT OF INDEPENDENCE.—If any territory becomes independent or otherwise ceases to be a territory or possession of the United States before quarter dollars bearing designs which are emblematic of such territory are minted pursuant to this subsection, this subsection shall cease to apply with respect to such territory.

''(7) TERRITORY DEFINED.—For purposes of this subsection, the term 'territory' means the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. GUTIERREZ) and the gentleman from Delaware (Mr. CASTLE) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois.

GENERAL LEAVE

Mr. GUTIERREZ. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation, and to insert extraneous material thereon.

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

There was no objection.

Mr. GUTIERREZ. Madam Speaker, I yield myself 3 minutes.

Madam Speaker, I urge the House pass H.R. 392, a bipartisan bill introduced by the distinguished gentlelady from Washington, D.C., Ms. HOLMES NORTON.

This legislation simply extends the very popular quarter coin bill to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

□ 1300

We believe that extending the program will generate the same cultural pride in the District of Columbia and the U.S. territories that is done in every State across the Nation. When it comes to American history and tradition, Washington, D.C., is second to none, and that is why I am pleased that the gentlewoman from the District of Columbia has introduced this bill.

Citizens of other territories have made similar contributions and sacrifices. They, too, deserve the highest possible recognition and equality. That is why, in my opinion, extending the quarter program to include the U.S. territories is the least we can do to recognize the role that these great peoples and their cultures played in enriching American history.

Madam Speaker, I reserve the balance of my time.

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

I also rise in support of H.R. 392, the District of Columbia and United States Territories Circulating Quarter Dollar Program Act. I want to thank Chairman FRANK, Chairman GUTIERREZ, and Ranking Member BACHUS for the Financial Services Committee's support of this legislation and for getting this important bill to the floor early in the 110th Congress. This is a little bit unusual that we are doing early, perhaps early enough to get it done in the Senate as well.

The legislation before us would extend the popular 50 State Quarter project to include coins honoring the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

Madam Speaker, the 50 State Quarter legislation has proven to be a great success. It has reinvigorated coin collecting, has become an invaluable educational tool, and has so far contributed close to $6 billion to the United States Treasury through seiniorage and the sale of products to collectors. With an estimated 140 million Americans collecting these coins, the State quarters have become the most popular coin program in the United States' Mint history.

Madam Speaker, expanding the program to include D.C. and the U.S. territories will further benefit the taxpayer and educate Americans about our Commonwealth. These coins are integral to the history of our country and educate children and tourists about the American way of life. This bipartisan legislation is supported by the members of the Financial Services Committee and has passed the House in every Congress since the 106th Congress. I am pleased that we have brought this much-needed legislation to the floor today and urge my colleagues on both sides of the aisle to join me in supporting the bill.

Madam Speaker, I reserve the balance of my time.

Mr. GUTIERREZ. Madam Speaker, I yield 3½ minutes to the gentlewoman from the District of Columbia (Ms. NORTON), who is an effective and tireless advocate for the people of Washington, D.C., and the author of this bill.

Ms. NORTON. Madam Speaker, I thank the gentleman from Illinois for yielding and for his early work on this bill, and I certainly thank the gentleman from Delaware, who has worked on this matter with me, which now this makes the fifth time. Indeed, this is the fifth time, and I am grateful that the House has been willing to come back time and again, that we will pass a bill to afford the five insular areas and the District of Columbia a quarter bearing a design of their choice on the reverse side. Inadvertently these Americans were excluded from the 50 State bill affording this same right to the States in 1998.

We owe very special thanks to successive committee and subcommittee Chairs and ranking members of the Financial Services Committee. We especially appreciate the new chairman,

BARNEY FRANK, who reached out to us to put this bill for consideration by the House on the early suspension calendar.

Forty States have had their State designs on the reverse side of the quarter with four more States to be added before this year is ended. All the coins are minted according to the year each State ratified the Constitution of the United States or were admitted into the Union.

Although States have appropriate latitude, there are limitations as to what can be used as a design. According to the law, the Secretary of Treasury has the final approval of each design. The law gives clear guidance as to what is an acceptable design concept. Suitable design concepts include State landmarks, historically significant buildings, symbols of State resources or industries, official State flora and fauna, State icons, and outlines of States. Among the examples of suitable coins are many, New York's Statue of Liberty and the like.

This bill points out the importance of including all Americans in the symbols of American citizenship. The residents of the District and of the insular areas are full and equal American citizens. To leave them out of mere exercises of citizenship is to seem to deny the citizenship they revere and share with other Americans. The Americans who live in these areas have fought and died in our country's wars and have extraordinary records of service, particularly in the Armed Forces, in considerably larger numbers than many States. District citizens, in addition, pay Federal income taxes.

We in the Congress all represent proud Americans. There are, of course, significant differences between the States and the jurisdictions covered by this bill. However, qualification to be part of a program of quarter coins to commemorate congressional districts is not one of them. Under the Constitution all Americans are equal notwithstanding important differences in form, structure, and other significant distinctions. Today, by including all Americans, Congress avoids any appearance of differential or discriminatory treatment and any implication that these areas are colonies, never the intention when the five jurisdictions were not included in the original bill in 1998, as the House has made clear by repeatedly bringing this bill to the floor. Perhaps the other body this time is ready to grant us our citizenship.

Today, when our country is at war and faces unparalleled dangers, this bill is yet another example of our unity as Americans and our indivisibility in honoring all of our country's citizens. By repeatedly passing this measure, the House has made it abundantly clear that we are one country, and that our hope is that the Senate will join us.

Mr. CASTLE. Madam Speaker, at this time I yield such time as he may consume to the distinguished gentleman from Puerto Rico (Mr. FORTUÑO).

Mr. FORTUÑO. Madam Speaker, I rise today in strong support of H.R. 392, the District of Columbia and United States Territories Circulating Quarter Dollar Program Act, of which I am an original cosponsor. I want to thank Chairmen FRANK and GUTIERREZ and Ranking Members CASTLE and BACHUS for their leadership on this.

This bill, introduced by Congresswoman ELEANOR HOLMES NORTON, whom I commend as well, would finally allow the District of Columbia as well as Puerto Rico, American Samoa, Guam, the Virgin Islands, and the Northern Mariana Islands the right to choose a design, which would be imprinted on the reverse of a quarter. Inadvertently these jurisdictions were excluded from the 50 State quarter dollar bill that gave each State their own coins in 1998.

I echo the sentiments of my colleagues. This bill recognizes the importance of including all Americans in the symbols of American citizenship. I am confident and hopeful that this bill will see swift congressional passage and then that the President will imprint his signature.

As Puerto Rico's sole representative in Congress of the almost 4 million American citizens who reside in Puerto Rico, it is my honor to acknowledge the significant contributions which Puerto Rican Americans have made to our Nation. In particular, Puerto Ricans have never failed in their proud patriotic commitment to their call of duty, defending this Nation and its democratic principles. Madam Speaker, Puerto Rican Americans have served with honor and distinction in the Armed Forces of the United States in all wars and conflicts since 1917 to this day.

This bill's passage is long overdue. Its enactment would be an extremely meaningful way to honor these Puerto Rican Americans. It may seem like a small gesture, but our exclusion from this program undermines how faithful Puerto Rican Americans have been to this Nation and how we revere our citizenship and fellowship with all Americans.

Mr. GUTIERREZ. Madam Speaker, I yield the balance of my time to the delegate from Washington, D.C. (Ms. NORTON) and ask unanimous consent that she be permitted to control that time.

The SPEAKER pro tempore (Mrs. JONES of Ohio). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Ms. NORTON. Madam Speaker, I yield 3 minutes to the gentlewoman from the U.S. Virgin Islands (Mrs. CHRISTENSEN).

Mrs. CHRISTENSEN. Madam Speaker, I thank the gentlewoman for yielding.

Madam Speaker, once again the bill to add the quarters representing the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands is before this body for passage.

And I want to thank Chairman FRANK, Ranking Member CASTLE, and my colleagues who have supported this in the past and our colleague ELEANOR HOLMES NORTON for her persistence, which I believe is going to pay off in this Congress. The holdup in the past has been in the other body, but I believe we have a commitment to get it passed this time.

As often happens in the territories, not usually Washington, D.C., we were overlooked and left out when the bill authorizing the coins first passed and was signed into law. With the passage today of H.R. 392, we will fix that oversight, but I hope we can move to ensure that the territories are remembered and considered when any legislation is being written.

We will continue to work to that end, but today my constituents are looking forward to displaying an image on our coin that will convey a part of our rich history to our fellow Americans and people around the world, whether it would be General Budhoe, the slave who led the effort that resulted in our emancipation; the three women who are best known for having led the labor revolt of 1878; D. Hamilton Jackson, a judge, labor leader, champion of the free press, and actually the first delegate to Washington on behalf of the Virgin Islands; or any number of people or monuments that represent who and what we are when that is yet to be decided.

But, Madam Speaker, with the passage of this bill today, we will have begun the process, and the Virgin Islands will be ready to proudly join the States in this program.

I urge my colleagues to support H.R. 392.

Mr. CASTLE. Madam Speaker, I have no further requests for time, and I reserve the balance of my time.

Ms. NORTON. Madam Speaker, I yield 3 minutes to the gentleman from American Samoa.

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

Mr. FALEOMAVAEGA. Madam Speaker, I rise today in strong support of H.R. 392, the District of Columbia and United States Territories Circulating Quarter Dollar Program Act.

I want to commend my colleague from the District of Columbia for introducing this proposed legislation to include the District of Columbia and the territories by amending the 50 States Commemorative Coin Program Act that was made law since 1997. I want to commend the gentleman from Massachusetts, the chairman of the House Financial Services Committee; as well as the ranking member, the gentleman from Alabama, for their leadership and support of this legislation. Madam Speaker, I also want to

especially thank the gentleman from Delaware, my esteemed friend, for his unwavering support of this legislation. For many years he has worked tirelessly with the sponsor of this bill, and I would be remiss if I did not thank the good gentleman from Delaware for his commitment to pass this historic legislation.

This important piece of legislation has been an ongoing issue for the past 8 years, Madam Speaker. All five congressional delegates are and were original cosponsors of this bipartisan measure. During the 107th Congress we introduced H.R. 4005, identical legislation that was unanimously passed by the House and was received in the Senate in 2002. In the 108th and 109th Congresses, the same legislation was unanimously passed with bipartisan support by the House. But, unfortunately, Congress adjourned before the Senate could consider the bills.

Madam Speaker, I am hopeful that we pass H.R. 392 and that the Senate will pass this legislation before the 110th Congress adjourns. H.R. 392 affords us an opportunity to recognize the special contributions of the residents of the good people of the District of Columbia and the territories.

I urge my colleagues to support this legislation.

Ms. NORTON. Madam Speaker, I yield 4 minutes to the gentlewoman from Guam (Ms. BORDALLO).

□ 1315

Ms. BORDALLO. Madam Speaker, I rise in strong support of H.R. 392, the District of Columbia and the United States Territories Circulating Quarter Dollar Program Act.

This bill would authorize the Secretary of the Treasury to provide for a circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

The Commemorative Coin Program Act was passed, Madam Speaker, in 1997, and enacted as Public Law 105–124. It authorized the minting of 50 commemorative coin designs to represent the unique culture and history of each respective State. This is an unprecedented program by which the design of the United States quarter dollar changes five times each year for a 10-year period beginning in January 1999. The 50 States are honored under the current program in the order in which they were admitted into the Union. This program authorized the first change to the quarter since production of the bicentennial quarter in 1975–1976 and is meant to foster pride among citizens of each State, greater appreciation for the diversity of our Nation, and to instill an enhanced sense of national unity. By all accounts, Madam Speaker, this program has been a resounding success. However, it has excluded the territories.

H.R. 392 represents the fifth consecutive attempt, the fifth consecutive attempt to enact legislation to honor the Capital City, Washington, D.C., and the U.S. territories by including them in the 50 State Quarter Program.

I want to thank the gentlewoman from the District of Columbia (Ms. NORTON), who has persevered over all these years to try to get this piece of legislation through, and I also thank the gentleman from Delaware (Mr. CASTLE) for his continued strong support for the District of Columbia and the U.S. territories to be included in this successful program.

I represent Guam, an island approximately 3,500 miles southwest of Hawaii. Guam, like the District of Columbia and the other U.S. territories, has unique attributes that too few Americans are aware of. In fact, it is all too common for Americans to be unaware of or misinformed about Guam's relationship with the United States and that its residents are duly U.S. citizens. I believe this record should be improved, and one way to accomplish this is to authorize the Secretary of the Treasury to provide for the circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Marianas.

The bottom line is that every time someone looks at the back of a quarter, they learn something about the State represented. Much can be learned about Guam and her sister territories and the District. In doing so, the curious American will learn more about their wonderful country in which they live and more about their fellow Americans with whom they share this bountiful land.

Mr. CASTLE. Madam Speaker, just in closing I thought I would reference back to what I said in the opening, and that is that this particular program which is known as the 50 State Quarter Program, has made a profit, if you want to call it that, through what we call seigniorage of about $6 billion for the Federal Government. How can that be? It is fairly simple: it costs about a nickel to make a quarter, and we essentially sell the quarters, if you will, for 25 cents; and that amount of money, that extra money is carried over, that 20 cents. And since none of these coins are being basically turned in because of all the collecting which is going on, this is money which the Federal Government can spend, it is called seigniorage, and it has worked out extraordinarily well.

This program not only honors and recognizes these very important entities that have been spoken to by their representatives here today, but also provides an opportunity for the Federal Government to continue to profit from this program, which will, by the end, end otherwise in the year 2008. So I would encourage everybody to vote for it.

I hope, to the distinguished woman from the District of Columbia, that the fifth time is good luck. We have had great luck here in the House; it is in the Senate that we seem to struggle a little bit, and hopefully we can get it done this time.

And let me make a point that I think is important. There has been a lot in the news lately about a delegate voting bill which some people here on the floor may be interested in. This is not that bill, and I am not either denigrating or advocating that bill today. But I think it is very important to understand what this is: it is just a clear recognition of those areas that have been left out of this quarter program that many of us think should be brought in and, for that reason, are very supportive of this legislation. Hopefully this is a bill which both political parties can be very supportive of when the time comes to vote on it.

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

Ms. NORTON. Madam Speaker, may I inquire how much time is remaining.

The SPEAKER pro tempore. The gentlewoman has 9½ minutes remaining.

Ms. NORTON. Madam Speaker, I cannot close without saying a word about the spirit in which the gentleman from Delaware has handled this matter. What is it, we are told 8 years. It was a quintessential moment of bipartisanship.

I was sitting in my office when the bill came to the floor, and staff came in and said the District of Columbia and the territories are not included in this coin bill. I ran to the floor and ran over to the gentleman. It is understandable, it is called 50 States, that it is easy to forget us I guess, and he assured us there had been no intention.

Madam Speaker, I had two choices. One choice was on suspension, as it is today, which was simply to ask my side to vote against it and it wouldn't have passed on suspension. The other side was to listen to what the chairman said, and what he said was that he would put this bill again on the floor. He, and for that matter his successor committee chairs and subcommittee chairs, has never wavered on putting this bill forward. Let us be clear that when we are talking about five times, we are talking about, shall we call them, the other body.

I point this out because I believe we owe the same reciprocal spirit of bipartisanship that, sir, you so kindly granted us. The fact is, this is such a small matter. That such a small matter can be so hurtful may not be understandable to others.

One way to understand it is the disproportionate service in the Armed Forces. I don't know why, but you have only to look at the statistics to be stunned by the disproportionate service in our Armed Forces of people from the District of Columbia and the insular areas. It is not because they during the period of the draft were more often drafted; it was a greater willingness to serve.

I want to say, Madam Speaker, in closing that a virtual unwritten rule of this House should be that no distinction not proscribed by laws ever be made among American citizens, particularly in the people's House. We will all be challenged, I hope shortly, on an entirely unrelated bill, not the bill that the gentleman from Delaware spoke of that is due to come to the floor on delegate voting, but yet another bill, a bill 200 years in the making, 200 painful years of service in the Armed Forces, of paying taxes without representation which are going to call Congress to account, especially my party, which has flooded this floor with statements of belief in the full voting rights of the people of the Nation's Capital.

To his great credit, Representative TOM DAVIS when he chaired the Government Reform Committee discovered a magic opportunity, that is the only word for it because it won't come again soon, that the State of Utah had barely missed getting a vote in the last census. And he came to me and suggested that we put Utah and the District of Columbia together just as Alaska and Hawaii came in the Union together, and precisely the only way we have increased representation in the House and the Senate, and that is through political balance.

It was an offer we couldn't refuse, but it took us 4 years of my negotiating with the Democrats who kept telling me what they wanted and Mr. DAVIS negotiating with Republicans who kept telling them what they wanted, and finally we got the bill through the Government Reform Committee 15–14. This is such an extraordinary bipartisan vote on a controversial bill, 15 Democrats, 14 Republicans voting for the bill, the Davis-Norton bill for a House vote. Not a vote in both Houses, my friends, a vote in the people's House, went to the Judiciary Committee, additional requirements made, they were fulfilled by the State of Utah.

Here, we have the most Republican State in the Union and a big city normally Democratic who come forward together, who are literally joined at the hip together, and say regrettably, although we thank the other side who took this almost to the floor, through two committees, didn't get it to the floor, my party has an obligation written in miles of rhetoric, written in their platform over many decades to bring the bill for the full vote for the residents of the District of Columbia to this floor.

I congratulate my colleagues on the other side who almost brought us home. Now, the challenge is to those who got up and pointed their finger at the other side about not doing enough, the finger is now pointed at us and the time has come. While this bill has nothing to do with that, if you represent the District of Columbia, if you were second per capita in Federal income taxes, if you had gone to Arlington during this war, if you had sat in churches during this war, then you would understand that any opportunity to remind this Congress, including my side, that the moment of truth has come and it has got to come in the 110th Congress for a seat for the District of Columbia this year. Meanwhile, we begin with an entirely noncontroversial ''yes'' symbolic bill. Let this bill pass the House.

I thank the Speaker, and I particularly thank my good colleagues for persevering with us. I hope we have set the tone for the 110th Congress.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. GUTIERREZ) that the House suspend the rules and pass the bill, H.R. 392.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

STREAMLINING OF SAFETY ACT AND ANTI-TERRORISM TECHNOLOGY PROCUREMENT PROCESSES

Mr. LANGEVIN. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 599) to direct the Secretary of Homeland Security to streamline the SAFETY Act and anti-terrorism technology procurement processes.

The Clerk read as follows:

H.R. 599

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

SECTION 1. STREAMLINING OF SAFETY ACT AND ANTI-TERRORISM TECHNOLOGY PROCUREMENT PROCESSES.

(a) PERSONNEL.—The Secretary of Homeland Security shall ensure that, in addition to any personnel engaged in technical evaluations that may be appropriate, a sufficient number of full-time equivalent personnel, who are properly trained and qualified to apply legal, economic, and risk analyses, are involved in the review and prioritization of anti-terrorism technologies for the purpose of determining whether such technologies may be designated by the Secretary as qualified anti-terrorism technologies under section 862(b) of the SAFETY Act (6 U.S.C. 441(b)) or certified by the Secretary under section 863(d) of such Act (6 U.S.C. 442(d)).

(b) COORDINATION WITHIN DEPARTMENT OF HOMELAND SECURITY.—The Secretary of Homeland Security shall—

(1) establish a formal coordination process that includes the official of the Department of Homeland Security with primary responsibility for the implementation of the SAFETY Act, the Chief Procurement Officer of the Department, the Under Secretary for Science and Technology, the Under Secretary for Policy, and the Department of Homeland Security General Counsel to ensure the maximum application of the litigation and risk management provisions of the SAFETY Act to anti-terrorism technologies procured by the Department; and

(2) promote awareness and utilization of the litigation and risk management provisions of the SAFETY Act in the procurement of anti-terrorism technologies.

(c) ISSUANCE OF DEPARTMENTAL DIRECTIVE.—The Secretary of Homeland Security shall, in accordance with the final rule implementing the SAFETY Act, issue a Departmental management directive providing for coordination between Department procurement officials and any other Department official responsible for implementing the SAFETY Act in advance of any Department procurement of an anti-terrorism technology, as required under subsection (b).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Rhode Island (Mr. LANGEVIN) and the gentleman from Alabama (Mr. ROGERS) each will control 20 minutes.

The Chair recognizes the gentleman from Rhode Island.

GENERAL LEAVE

Mr. LANGEVIN. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks, and to insert extraneous materials relating to the bill under consideration into the CONGRESSIONAL RECORD.

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

There was no objection.

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

Today, Madam Speaker, I rise in support of legislation I introduced, the SAFETY Reform Act of 2007, which will help ensure that safe and effective antiterrorism technologies are being deployed by the Department of Homeland Security to bolster our security throughout the country.

□ 1330

The Support for Anti-Terrorism by Fostering Effective Technologies Act of 2002, or SAFETY Act as it is known, was designed to provide incentives for development and deployment of antiterrorism technologies.

The SAFETY Act was intended to address the liability concerns of businesses and to pave the way for innovative development of key antiterrorism technologies. Unfortunately, a lack of personnel within the Office of SAFETY Act Implementation, an excessively burdensome application process, and a lack of communication between the Department's procurement and management divisions made for difficult implementation of the SAFETY Act.

This legislation which I have introduced, along with Chairman THOMPSON, Subcommittee Ranking Member Rogers and many other members of the Homeland Security Committee, should fix many of those shortcomings.

Last year the Homeland Security Committee held a subcommittee hearing highlighting some of the problems that arose from the SAFETY Act's implementation. We heard from a variety of industry leaders and experts that the application process was overly burdensome, and that it took far too long for the Department of Homeland Security to properly evaluate and approve many of the applications that businesses submitted.

While I am pleased to see that many companies with new and innovative technologies have already applied for the SAFETY Act program, the program can be effective only when the applications are properly approved.

My legislation, therefore, takes three important steps to improve the effectiveness of the application process. First, this bill will help facilitate communication between the Department of Homeland Security's procurement sector and the Department's Office of SAFETY Act Implementation, which is the entity tasked with reviewing the applications. This approach will allow officials at DHS to thoroughly review applications while also maintaining quick turnaround times.

Second, the bill would require that the Secretary employ a sufficient number of analysts in the Office of SAFETY Act Implementation who can deal with the ever-growing number of applications. Appropriate staffing will help ensure that the applications are being processed in a timely manner, thereby allowing us to deploy the newest and best technologies as quickly as possible.

Finally, this legislation will help raise awareness of SAFETY Act risk management provisions among procurement officers across Federal, State, and local levels, and throughout the private sector.

Contributions made by private enterprises are an extremely important component of our Nation's security, and our governmental policies should continue to encourage innovation, not stifle it.

By passing the SAFETY Reform Act, I am optimistic that we will be able to effectively streamline the application process and encourage participation in this program across all levels of government and the private sector.

I urge my colleagues to join me in supporting the SAFETY Reform Act of 2007.

Madam Speaker, I reserve the balance of my time.

Mr. ROGERS of Alabama. Madam Speaker, I yield 3 minutes to the gentleman from Texas (Mr. MCCAUL), my friend and colleague.

Mr. MCCAUL of Texas. Madam Speaker, I thank the gentleman for yielding.

I want to thank Chairman LANGEVIN and Ranking Member ROGERS for their leadership on this issue, and I am proud to have been a coauthor of this bill.

Madam Speaker, I rise today in support of H.R. 599, a bipartisan bill to help protect and encourage companies that develop antiterrorism technologies. This bill helps implement the Support Anti-Terrorism by Fostering Effective Technologies, or SAFETY Act. The SAFETY Act was passed as part of the Homeland Security Act of 2002, and basically it encourages companies to develop antiterrorism technology by limiting their liability in the event of a terrorist attack.

As part of the oversight provided in the 109th Congress, the Homeland Security Committee determined that the SAFETY Act better protected the American people, and over 60 new technologies have been approved for coverage under the SAFETY Act in areas such as radiation detection, facility protection and passenger screening.

Unfortunately, in order to qualify for SAFETY Act protection, companies must go through a cumbersome application process rife with red tape. This bill cuts that red tape by requiring DHS to streamline their process and make it more effective.

In my district there are a number of companies developing antiterrorism technologies, including detection and identification systems. By limiting their potential legal liability, this bill will help them develop new technologies to address the real and constant threat of a terrorist attack.

This bill represents a commonsense, bipartisan approach, and I applaud my colleagues on the other side of the aisle, an approach to streamline government and make it friendlier to the American people. By doing this, we will make it easier for government and the private sector to work together to make America safer.

Madam Speaker, I urge my colleagues to support this important legislation.

Mr. LANGEVIN. Madam Speaker, I am pleased to yield such time as he may consume to the gentleman from Mississippi (Mr. THOMPSON), the chairman of the Homeland Security Committee.

Mr. THOMPSON of Mississippi. Madam Speaker, I thank Mr. LANGEVIN.

Today I rise to support a bill that reaffirms our commitment to ensuring that safe and effective antiterrorism technologies are being deployed by the Department of Homeland Security.

This bill, offered by my colleague Mr. LANGEVIN, will provide much-needed reforms to the SAFETY Act process within the Department.

In conducting oversight over the Department's implementation of the SAFETY Act over the last several years, it was apparent that there was several significant disconnections within the Department.

It became clear that the Office of SAFETY Act Implementation and the private sector were working on separate wavelengths. The right hand simply was not speaking to the left.

The private sector struggled to fulfill the lengthy paperwork requirements of the SAFETY Act, while the SAFETY Act office often seemed nonresponsive to private sector requests.

While the Department's adoption of final regulations this summer implementing the SAFETY Act appears to be an encouraging step forward, still more must be done to ensure that the government is being responsive to developments in the private sector.

This bill would require that the Secretary employ a sufficient number of analysts in the Office of SAFETY Act Implementation who can deal with the ever-growing number of applications. This will ensure that applications are being processed in a timely fashion to bring more technologies to the table earlier than ever.

Perhaps more importantly, this bill will also ensure the proper coordination between the Department's procurement and implementing offices and raise the awareness of SAFETY Act risk management provisions among procurement officers across Federal, State and local government, and throughout the private sector.

In order to generate revolutionary breakthroughs in antiterrorism technologies, the Department must actively promote awareness of SAFETY Act protections not only among private sector, but across government procurement agencies. This legislation will help achieve those goals.

I congratulate Mr. LANGEVIN for offering this legislation and strongly urge my colleagues to join me in supporting this bill. We must enable the private sector to deliver the revolutionary, breakthrough technologies that will help win the Nation's fight against terrorism.

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

Mr. LANGEVIN. Madam Speaker, I yield 3 minutes to the gentleman from Florida (Mr. MEEK).

Mr. MEEK of Florida. Madam Speaker, let me just say that this piece of legislation is an outstanding bipartisan piece of work. I know that it has bipartisan support, something that is going to help the private sector and be able to help us move forward in securing America.

I would like to thank my good friend Mr. ROGERS for his outstanding work and also on the Republican side. We have had a great discussion. As you know, in the last Congress I was the ranking member on the oversight committee, and all of us that are involved in this bill have heard hours and hours of testimony on why this is important. Even going as far back as the 108th Congress in the select committee, we were hearing from members of the private sector, saying that we want to participate in protecting America, need it be bio or what have you, but we also do not want to end up losing our shirts in the process or giving away secrets.

So I think this legislation is going to help us move forward. I hope it has a speedy process in the Senate. I look forward to coming to the floor later on to vote on this very good piece of legislation.

I just wanted to come by and say, once again, this is another example on how we have and we are now working in a bipartisan way on behalf of securing America for future generations and this generation so that we can continue to move forward hand in hand.

I want to thank the bill's sponsor from Rhode Island for bringing this

legislation to the floor quickly, and also Mr. THOMPSON, the chairman of the committee, and ranking member of the committee on the Republican side for bringing this to the floor for speedy consideration.

I rise today in strong support of this legislation. H.R. 599, the Support for Antiterrorism by Fostering Effective Technologies or "SAFETY" Act would provide greater incentive to US companies that develop and produce domestic, antiterrorism technologies and would better ensure the integrity of our national security.

Congress enacted the SAFETY Act in 2002 to limit the liability of manufacturers of qualified, antiterrorism technologies. This was seen as an essential step to promote innovation in technology, and to ensure that our first responders received the very latest and best equipment.

However, the methods used by the Department of Homeland Security to implement the original legislation were markedly slow and burdensome to applicants. This created disincentive to companies to participate in the program, and negated the original intent of the legislation.

I raised this issue and others during a September 2006 joint hearing before the Homeland Security Subcommittees on Management, Integration, and Oversight and Emergency Preparedness, Science and Technology. In that hearing, questions were raised addressing these issues; however, little was done in the closing days of the 109th to enact sufficient change. The Department did take positive steps to alleviate some of these issues, by issuing improved application "kits" and approving the final rule.

Still more is needed, and H.R. 599 would be a significant step in that direction. Because procuring these vital technologies as they become available is imperative to national security, SAFETY Act certification must happen at the same time as production.

To ensure that both our companies and our first responders are protected, this bill would require the Department to formalize the coordination between its procurement office and the Office of SAFETY Act Implementation. This would stand to greatly improve the efficiency of the program and the application process. Moreover, this bill would also ensure that sufficient staff be made available for reviewing applications. Delays in certification can dissuade companies from bringing life saving technology to market for long periods of time.

The SAFETY Act, as it is named, is about the security of the American people. Improving this process will ensure that our Federal, State, and local authorities have the tools they need to protect the American people.

I urge my colleagues, to support this bipartisan measure and to further strengthen our defense from terror.

Mr. ROGERS of Alabama. Madam Speaker, I yield myself such time as I may consume.

The bill we consider today will streamline the procurement process of the Department of Homeland Security by implementing the SAFETY Act. The SAFETY Act was enacted in November 2002 as a part of the Homeland Security Act. At that time it was the intent of Congress to spur the development and deployment of innovative antiterrorism technologies. The act does this, in part, by limiting the liability exposure of companies that provide those technologies in the event of a terrorist attack.

Since the law was enacted, however, the number of applications to DHS for SAFETY Act protections has fallen well below expectations. Critics charged that this result is due to a number of factors, including the Department's slow evaluation and approval process, the understaffing in key DHS offices, and the lack of full coordination between the SAFETY Act office and the procurement office in the process at DHS.

To address those concerns, the Committee on Homeland Security included bipartisan provisions in the DHS authorization bill for fiscal years 2006 and 2007, but time ran out, and neither bill came to law.

Last summer DHS issued its final rule to implement the SAFETY Act. The Department revised the application kit to make it easier for companies to apply for SAFETY Act protection.

To review those materials and hear from the private sector, I cochaired a hearing in the Management, Integration and Oversight Subcommittee with the former Chairman REICHERT and his subcommittee on September 13, 2006. We heard from the Under Secretary for Science and Technology and the chief procurement officer at DHS.

We also heard from leading industry representatives, including the U.S. Chamber of Commerce, the Homeland Security and Defense Business Council, and the Professional Services Council. The feedback we received from industry about the revisions DHS made to the process was mostly positive. Progress has been made.

DHS reports a 100 percent increase in applications, from 14 to 28, over 1 year since the fourth quarter of 2005, but more can be done to further streamline and improve the SAFETY Act procurement process.

The bill we consider today continues our work from the 109th Congress and makes those improvements. First, the bill would ensure DHS has a sufficient number of properly trained analysts to review and prioritize antiterrorism technologies that could qualify for SAFETY Act designation.

Second, the bill would establish a formal coordination process within DHS and involve the Under Secretary for Science and Technology, the Under Secretary for Policy, the chief procurement officer and the general counsel.

And third, the bill would require that SAFETY Act issues are fully considered in advance of procurement by DHS of an antiterrorism technology.

This bill would improve implementation of the SAFETY Act so the private sector can do more to protect our Nation from terrorist attacks. I urge my colleagues to support its passage.

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

Mr. LANGEVIN. Madam Speaker, in closing, I want to thank the speakers who have come forward. I want to thank Members on the other side of the aisle for working with us in a bipartisan fashion to bring this bill to the floor. I want to particularly recognize the leadership of Chairman THOMPSON and his due diligence in seeing that this act was put together in such a timely fashion and brought to the floor so quickly.

□ 1345

It is the responsibility of every level of government, whether it is the local, State or Federal level, first and foremost to protect our citizens. Our Nation is at war, and homeland security must be our top priority. The quicker that we can get these new and vital technologies in place that will better protect the American people, the better off we will all be.

So it is my intent that this act will clarify some of the problems with the original SAFETY Act and with the implementation that has been witnessed by the Department of Homeland Security, and I am pleased that we have brought this act to the floor today.

Madam Speaker, I move its passage.

Mr. LANGEVIN. Madam Speaker, I request that the following letters be made part of the CONGRESSIONAL RECORD.

PROFESSIONAL SERVICES COUNCIL,
Arlington, VA, January 22, 2007.

Hon. JAMES LANGEVIN,
Chairman, Subcommittee on Emerging Threats, Cybersecurity, Science and Technology.

Hon. MIKE ROGERS,
Ranking Member, Subcommittee on Management, Investigations and Oversight.

HOMELAND SECURITY COMMITTEE,
House of Representatives,
Washington, DC.

DEAR CHAIRMAN LANGEVIN AND CONGRESSMAN ROGERS: On behalf of the Professional Services Council (PSC), the leading national trade association representing the professional and technical services industry selling to the Federal Government, I am writing to endorse the legislation introduced by you and others (H.R. 599) to streamline the SAFETY Act and anti-terrorism technology procurement processes.

We appreciated the bipartisan leadership of Chairman Thompson and Ranking Member King during the 109th Congress to provide strong oversight of SAFETY Act implementation, including the execution of the responsibilities of the Secretary of Homeland Security and the Under Secretary for Science and Technology in administering the Act. We are confident that the Committee's support for the full implementation of the law and for extending the coverage of the Act to appropriate anti-terrorism technologies will remain strong through your Subcommittees' leadership. '

PSC has been a strong and active supporter of the SAFETY Act since its development in Congress in 2002. We have commented extensively on the Act, on the implementing regulations, application kits, and operating principles. We have met repeatedly with key leaders within the Department and other offices in the Executive Branch. We testified before your Committee last year on the Act. We are pleased with the recent progress made in providing the regulatory and administrative framework for implementation, and with DHS's renewed commitment to moving

that implementation forward. However, more can and should be done.

While the Department is fully committed to robust implementation of the Act, we see your bill as an important step in helping the Department achieve that goal—whether through the allocation of additional full-time DHS employees to carry out the functions assigned under the Act or ensuring that the Department's internal procurement and policy organizations are aligned with and use the authorities provided under the Act. In addition, the Department plays an important role in providing guidance and information to other federal agencies and to other stakeholders about the Act. Each of these important items is addressed in H.R. 599.

We appreciated the opportunity to comment on the draft bill and are pleased to offer PSC's support for the legislation as introduced. We strongly support passage by the House early in the legislative cycle and look forward to further legislative and administrative action to fully implement the goals and objectives of the SAFETY Act. We also look forward to working with your Subcommittees and others on this important homeland security initiative.

In the interim, if you or your staffs have any questions or need any additional information, please do not hesitate to let me know.

Sincerely,

ALAN CHVOTKIN, ESQ.,
Senior Vice President and Counsel.

CROWELL MORING,
Washington, DC, January 22, 2007.

Re Proposed Legislation for Streamlining of SAFETY Act Processes

Representative JAMES R. LANGEVIN,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE LANGEVIN: Your proposed legislation—''Streamlining of SAFETY Act and Anti-Terrorism Technology Procurement Processes''—represents a critical step forward to enhance the implementation of the SAFETY Act. This legislation recognizes the clear Congressional purpose embodied in the SAFETY Act—save lives through anti-terrorism technology.

One of the continuing impediments to more aggressive implementation of the SAFETY Act has been the concern that the Department of Homeland Security (DHS) has not fully synchronized SAFETY Act approvals with major procurements for anti-terrorism technology. Your legislation squarely addresses this concern by requiring the DHS Secretary to establish a formal coordination process to assure more effective implementation of the Congressional directive to accelerate the availability of anti-terrorism technology. Thank you for promoting the SAFETY Act's core purpose and clearing the path for moving anti-terrorism technology to the Nation's front lines.

Sincerely,

DAVID Z. BODENHEIMER,
Homeland Security Practice Chair,
Crowell & Moring LLP.

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,
Washington, DC, January 23, 2007.

Hon. JAMES R. LANGEVIN,
Chairman, Subcommittee on Emerging Threats, Cybersecurity, and Science and Technology, House of Representatives, Washington, DC.

DEAR CHAIRMAN LANGEVIN: The U.S. Chamber of Commerce, the world's largest business federation representing more than three million businesses and organizations of every size, sector, and region, supports H.R. 599, the ''SAFETY Act Reform Bill,'' which you introduced with Rep. Michael D. Rogers (R–AL), Ranking Member of the Subcommittee on Management, Investigations and Oversight. This bipartisan legislation provides an incentive to develop and deploy anti-terrorism technologies and services.

The Chamber applauds your leadership on this critical national security issue and looks forward to working with the Committee to ensure the SAFETY Act of 2002 is fully implemented.

Sincerely,

R. BRUCE JOSTEN.

JANUARY 23, 2007.

Re Support for H.R. 599

Hon. JAMES R. LANGEVIN,
Chairman, Subcommittee on Emerging Threats, Cybersecurity, and Science and Technology, House of Representatives, Committee on Homeland Security, Washington, DC.

DEAR MR. LANGEVIN: I am writing to you in my personal capacity to express my support for the goals expressed in H.R. 599. H.R. 599 is intended to encourage the Department of Homeland Security to streamline the Support Anti-Terrorism By Fostering Effective Technology Act of 2002 (SAFETY Act) application and procurement processes. The bill is drafted to ensure that the Department utilizes a sufficient number of trained personnel to review any individual application, that the various components of the Department coordinate in implementing the Act, and that Department issues a management directive to coordinate procurement and SAFETY Act implementation efforts.

In light of my experience in drafting numerous SAFETY Act applications, I support the goals enumerated by the legislation, particularly as related to Department-wide coordination and coordination in procurement policy and implementation. Through my experiences with the SAFETY Act, I believe the Department has taken a number of solid steps in ensuring that such goals are met, and any encouragement from the U.S. Congress to meet those goals is welcome. The widespread utilization of the SAFETY Act is critical to defending our nation from terrorist attacks, and so I welcome the efforts of the U.S. Congress to support the Department's efforts at full implementation.

Thank you for your consideration, and I welcome any queries on this matter.

Respectfully submitted,

BRIAN E. FINCH

Ms. JACKSON-LEE of Texas. Madam Speaker, I rise today in support of H.R. 599, to direct the Secretary of Homeland Security to streamline the SAFETY Act and anti-terrorism technology procurement processes.

I would like to thank my friend from Rhode Island, Mr. LANGEVIN, for introducing H.R. 599 which is essential to the exercise of our oversight responsibility over the Department of Homeland Security and critical in ensuring our great Nation's preparation for future terrorist threats and attacks.

This bill serves largely to rearrange and streamline the Support for Anti-terrorism by Fostering Effective Technologies (SAFETY) Act of 2002. The SAFETY Act was implemented to protect the American people from terrorism by providing incentives for the development and deployment of anti-terrorism technologies for homeland security by limiting the liability of providers of qualified anti-terrorism technologies from claims arising out of acts of terrorism.

Despite our legislative intent that the SAFETY Act would pave the way for innovative development of key anti-terrorism technologies by addressing businesses' liability concerns, unfortunately industry was skeptical about the burdens imposed by the SAFETY Act's application process as implemented by the Department of Homeland Security. Regrettably, our high expectations for the SAFETY Act were not met and issues were raised about the excessively burdensome and slow evaluation and approval of applications by the Department's Office of SAFETY Act Implementation, OSAI, during the September 2006 joint hearing before the Homeland Security Subcommittees on Management, Integration, and Oversight and Emergency Preparedness, Science and Technology.

Significant improvements have been made to make this process more user-friendly, less time-consuming, and less costly for business with the SAFETY Act Application Kit, Kit, and final rule. However positive these improvements implemented may have been, additional improvements are of paramount importance to ensure that Congress' legislative intent of the SAFETY Act is met.

H.R. 599 will better address our legislative intent of the SAFETY Act and facilitate the following improvements: Make the application process more user-friendly, less time-consuming, and less costly for businesses; make the review process more swift, efficient and effective; result in a significant increase in the volume of SAFETY Act applications; more closely integrate the application and review process with the procurement of such technologies and services; and bolster awareness of and confidence in the efficacy of the SAFETY Act program among producers of anti-terrorism technologies as well as Federal, state, and local government purchases of these technologies.

While implementing the SAFETY Act, DHS has faced substantial criticisms about delays and insufficient personnel. It is critical that the Department continue to address these persistent issues and increase the number of highly trained, full-time personnel dedicated to reviewing and approving SAFETY Act applications. It is imperative that quick turnaround times are maintained when responding to operational needs. The link between the SAFETY Act office and the procurement office must be improved. If a product meets a test for procurement officials, there is no reason why the SAFETY Act office should have to run through a new process to test the effectiveness of the product.

I commend Congressman LANGEVIN for sponsoring this legislation that requires the issuance of a Department directive to formalize the coordination between the Department's procurement office and OSAI.

Thus, I strongly urge my colleagues to join me in supporting H.R. 599, to direct the Secretary of Homeland security to streamline the SAFETY Act and anti-terrorism technology procurement processes. It is my hope and expectation that the passage of H.R. 599 will ensure the proper and timely implementation of the SAFETY Act of 2002.

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

The SPEAKER pro tempore (Mrs. JONES of Ohio). The question is on the motion offered by the gentleman from Rhode Island (Mr. LANGEVIN) that the House suspend the rules and pass the bill, H.R. 599.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of

those voting have responded in the affirmative.

Mr. PRICE of Georgia. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on the motion to suspend the rules and pass H.R. 599 will be followed by 5-minute votes on motions to suspend the rules with respect to House Resolution 51, H.R. 476, and House Resolution 57.

The vote was taken by electronic device, and there were—yeas 427, nays 0, not voting 8, as follows:

[Roll No. 47]

YEAS—427

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Jo Ann
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gillibrand
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Lamborn
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—8

Buyer
Carson
Gordon
Lucas
Manzullo
Norwood
Pickering
Wynn

□ 1410

Mr. HELLER of Nevada, Ms. GINNY BROWN-WAITE of Florida and Mr. CALVERT changed their vote from ''nay'' to ''yea.''

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. CARSON. Madam Speaker, I was unable to record my vote for rollcall vote 47. Had I been able to record my vote, I would have voted ''yea.''

HONORING THE CONTRIBUTIONS OF CATHOLIC SCHOOLS

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 51.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Mrs. DAVIS) that the House suspend the rules and agree to the resolution, H. Res. 51, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 428, nays 0, not voting 7, as follows:

[Roll No. 48]

YEAS—428

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Jo Ann
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gillibrand
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston

Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Lamborn
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—7

Buyer
Kaptur
Lucas
McHugh
Norwood
Pickering
Wynn

□ 1419

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONGRESSIONAL PENSION ACCOUNTABILITY ACT

The SPEAKER pro tempore (Mrs. BOYDA of Kansas). The unfinished business is the question of suspending the rules and passing the bill, H.R. 476, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. MILLENDER-MCDONALD) that the House suspend the rules and pass the bill, H.R. 476, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 431, nays 0, not voting 4, as follows:

[Roll No. 49]

YEAS—431

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Jo Ann
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gillibrand
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Lamborn
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—4

Buyer
Lucas
Norwood
Pickering

□ 1427

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONGRATULATING ILLINOIS STATE UNIVERSITY

The SPEAKER pro tempore (Mr. LYNCH). The unfinished business is the question of suspending the rules and agreeing to the resolution, H. Res. 57.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Mrs.

DAVIS) that the House suspend the rules and agree to the resolution, H. Res. 57, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 423, nays 0, not voting 11, as follows:

[Roll No. 50]

YEAS—423

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (PA)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Calvert
Camp (MI)
Campbell (CA)
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Jo Ann
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gillibrand
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth
Higgins
Hill
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Hunter
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Lamborn
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stearns
Stupak
Sullivan
Sutton
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—11

Buyer
Cannon
Cubin
Hinchey
Lucas
Murtha
Norwood
Pickering
Stark
Tancredo
Waters

□ 1436

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HAPPY BIRTHDAY VANCOUVER, WASHINGTON

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

Mr. BAIRD. Mr. Speaker, it is a pleasure today to wish happy birthday to America's Vancouver, Vancouver, Washington. I rise in honor of the 150th birthday of Vancouver, Washington. As we say back home, Vancouver not B.C., Washington not D.C.

There was a place up north that was not founded until 29 years later, so we were the first. America's Vancouver was the first incorporated city in what is now Washington State. It hosts its proud heritage with the Vancouver National Historic Reserve. Fort Vancouver, Pearson Field, the site of the first transpolar aviation landing, a host of historic achievements and wonders.

I would invite everyone to join us in America's Vancouver on July 7 of this year as we officially celebrate America's Vancouver's 150th anniversary.

Mr. Speaker, I include for the RECORD an article from the Columbian.

[From the Columbian, Jan. 21, 2007]

HAPPY 150TH!

And the most-senior city in Washington state is . . . Seattle? The biggest city in the Northwest and hub of the state's economy, is a sad non-contender in the competition. It was incorporated in 1869.

And Spokane? The Capital of the Inland Empire, as the second-largest city calls itself, is practically a newborn. It was incorporated in 1881 and just celebrated its 125th birthday anniversary.

Walla Walla is older than that. It came into being in 1862.

But Steilacoom (near Tacoma), now there's an old city: 1854.

That was just one year after the oldest incorporated city in Washington, Columbia City . . . Ooops . . . Columbia City was the name as late as 1850, when it was recognized as more than just a military or fur-trapping post. But when it was incorporated seven years later, on Jan. 23, 1857, as the first city in what would become Washington state, it was Vancouver. Our Vancouver!

The real newcomer is the other Vancouver, in Canada, eh? Incorporation: 1886. So, if nothing else, on Tuesday this week, when Vancouver USA officially turns 150, you might silently pledge to pay no attention the next time someone suggests, as someone always does, that we rename our city Fort Vancouver in order to avoid confusion with the bigger city to the north. We were here first. Let them rename their city.

Much of the story of Vancouver USA's early years and most famous people is efficiently and colorfully told in words and photographs in a special section in today's Columbian, ''Vancouver, Washington—150 Years in the Making.'' Frankly, it's a hoot. There's also an online slide show at columbian com/video.

Mayor Royce Pollard, who always calls the state's oldest city ''America's Vancouver,'' will deliver his State of the City Address on Tuesday, kicking off a year-long celebration. While acknowledging the past, the speech will fittingly look ahead. Pollard has titled his address, ''Pride, Progress, Possibilities.''

The signature event of the 150th birthday will be on Saturday, July 7, at the Vancouver National Historic Reserve, which long-time residents still refer to as ''The Barracks'' and newer residents know as the place they have the big fireworks shows on the Fourth of July. The hope is to get country singer Willie Nelson out for the event. He was a disc jockey in the mid-'50s at the old KVAN radio station, 707½ Main St.

In a Columbian editorial on May 31, 1921, the writer was effusive about the county and the town, noting that it was the world's greatest prune producer, had ''industrial possibilities second to no other city on the globe . . . has the finest water in (the) state'' and that its ''beautiful homes (and) wide streets elicit wonder from its visitors . . .''

Such boosterism brings a snicker today, but you gotta love the spirit behind it and

wish for more like it in this, Vancouver's 150th year.

STATE OF THE UNION ROAD MAP

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, in a few hours we will be listening to the President provide us with a road map for the State of the Union. I ask the President as he comes to this House and this place to recognize that we are in this together and we look forward to working together.

But it certainly should be part of the conscience of this body and of America that our soldiers remain in serious jeopardy, not because they have not done their job, but because we have not done ours.

When soldiers can be dressed in semi-American uniforms and wage attacks on unsuspecting U.S. military, we have a problem.

Mr. Speaker, I am asking for a serious consideration of the cutting of funds to this war in terms of its plus-up, a new direction, and a political diplomatic approach allowing Iraq to provide its own security with our technical support.

It is now time to celebrate the heroes of our military and to bring our soldiers home. I look forward to the message on the State of the Union.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LYNCH). After consultation among the Speaker and the majority and minority leaders, and with their consent, the Chair announces that, when the two Houses meet tonight in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those immediately to her left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House. Due to the large attendance that is anticipated, the rule regarding the privilege of the floor must be strictly enforced. Children of Members will not be permitted on the floor. The cooperation of all Members is requested.

The practice of reserving seats prior to the joint session by placard will not be allowed. Members may reserve their seats only by physical presence following the security sweep of the Chamber.

Without prejudice to the possible resumption of legislative business, the Chair will now recognize Members for Special Orders not beyond 5 p.m., at which time the Chair will declare the House in recess.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 217

Mr. SERRANO. Mr. Speaker, I ask unanimous consent that Mr. CROWLEY from New York be removed from the list of cosponsors for H.R. 217.

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

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

(Ms. FOXX addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

A TERRORIST GROUP REARMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GENE GREEN) is recognized for 5 minutes.

Mr. GENE GREEN of Texas. Mr. Speaker, today in Lebanon, protesters are rioting, burning tires and cars, and crippling Beirut to oppose the government of Lebanese Prime Minister Fuad Saniora.

The majority of the opposition comes from Hezbollah and its supporters seeking more influence in Lebanon's government.

At the same time, one of our close allies is forced to watch these riots as a recurring threat is building on its borders.

Last summer we watched as the terrorist group Hezbollah kidnapped two Israeli soldiers and killed eight others and began firing missiles into Israeli cities intentionally targeting civilian populations and infrastructure.

This group was supplied by Syria and Iran for years, and built up stockpiles of weapons after Israel completely withdrew from southern Lebanon in 2000 in accordance with United Nations Security Council Resolution 425.

Israel responded in self-defense and launched an offensive in southern Lebanon to destroy the weapons caches and Hezbollah's bunkers. Fortunately, the Israeli Air Force was able to destroy many of the longer range rockets Hezbollah possessed, but thousands of shorter-range rockets were indiscriminately fired at Israeli towns and villages.

After 2 months of fighting, United Nations Security Council Resolution 1701 was passed. Among other things, 1701 called for a U.N. peacekeeping force of up to 50,000 troops to assist the Lebanese military to prevent Hezbollah's resurgence and rearmament in southern Lebanon.

Unfortunately, these troops have not stopped Syria and Iran from rearming Hezbollah, and Israel must watch as this threat is re-emerging just miles from its border.

Mr. Speaker, I submit for the RECORD this recent article that appeared in Jane's Defence Weekly. It details some of the problems Lebanese and U.N. forces are having stopping the movement of weapons across the Syrian-Lebanese border. What is clear from this article, and numerous other reports, is that Hezbollah is rearming and gaining autonomy again in southern Lebanon.

Just last week in an interview, Hezbollah's leader, Hassan Nasrallah, promised that Hezbollah would intensify its campaign to bring down the Lebanese Government in the coming days and weeks. Israel and the United States cannot let this happen, and we must support Israel's right to defend itself before its civilians are indiscriminately attacked once again.

Over the years, we have watched as Israel has made unilateral concessions, withdrawing from Lebanon in 2000 and withdrawing from Gaza in 2005, and each concession has resulted in growing threats on its borders and attacks on its soldiers and citizens.

After entering southern Lebanon to battle Hezbollah militants last summer, Israel again withdrew under United Nations Resolution 1701, passed sending international troops to southern Lebanon with the promise that the international troops would assist Lebanon's military to prevent Hezbollah from rearming.

Again, the promises of security made to Israel by the international community have not been fulfilled and Hezbollah is getting stronger.

Mr. Speaker, I urge my colleagues and the international community to join me in looking for a solution to this situation. As a close ally, we should ensure Israel's hands are not tied while this threat builds on its border, and we should address this growing problem before Hezbollah again decides to attack Israeli soldiers and civilians.

[From Jane's Defence Weekly, Jan. 3, 2007]

IRAN REPLENISHES HIZBULLAH'S ARMS INVENTORY

(By Robin Hughes)

Some five months after UN Resolution 1701 halted the conflict in south Lebanon between Israel and the Islamic Resistance—the armed wing of Shi'ite Party of God (Hizbullah), Iran has replenished Hizbullah's depleted stocks of surface-to-surface rockets and anti-tank guided weapons (ATGWs).

Prior to the onset of the conflict on 12 July, Western intelligence agencies estimated that Hizbullah had amassed an inventory of some 12,000 rockets of various calibres. During the conflict the Islamic Resistance expended about 4,000 rockets, while its longer-range systems, namely the Iranian-

supplied 50 km range Fajr–3, the 70 km range Fajr-S, the 125 km-range Zelzal 1 and 210 km-range Zelzal 2 rocket systems were not employed, having sustained considerable damage as a result of Israel Air Force (IAF) strikes.

Hizbullah emerged from the conflict strategically weaker, and, with the implementation of Resolution 1701, lost its autonomy in south Lebanon.

A Western defence source told Jane's that Iran, with Syrian compliance, has now ramped up deliveries of rockets, ATGWs and other advanced systems in ''an effort to rehabilitate Hizbullah's military strength and status''.

The underlying message here is one of ''unfinished business'' or preparation for a second stage of operations.

Ali Akbar Mohtashemi Pour, Iran's former ambassador to Syria and one of the main forces behind the foundation of Hizbullah, confirmed on 1 November in an interview with the AKI news agency that Tehran had begun restocking Hizbullah with weapons. Later, on 6 November, Mohtashemi Pour noted that Tehran had ''started to re-arm Hizbullah for all its needs''.

The extent of this commitment was borne out in a speech by Hizbullah Secretary General Sheikh Hassan Nasrallah at the Divine Victory Rally in Beirut on 22 September.

''The resistance today has more than 20,000 rockets. The resistance is today stronger than on July 12 and stronger than ever before,'' he said.

While these numbers have yet to be independently confirmed, the source noted that the Iranian unit charged with liaising with Hizbullah, the Iranian Islamic Revolutionary Guards Corps (IRGC) ''Qods Force''—currently headed by IRGC Brigadier General Kazem Soleimani—has, since the end of the conflict, significantly stepped up the transfer of war materiel, along with funding, training and intelligence on Israel, to the Islamic Resistance.

Much of this weapons supply has been facilitated by the compliance of Damascus in smuggling weapons across its borders, the source claimed. ''While Iran is the key weapon supplier, Syria was, and still is, the dominant if not exclusive channel for weapons transfer to Hizbullah. This operation is led by Syrian military officers in co-operation with senior IRGC officials in Iran and Syria,'' the source added.

However, most of the rockets fired on Israel during the conflict were Syrian made and the majority of ATGW deployed by Hizbullah were Russian made, acquired and supplied by Syria.

Terje Roed-Larsen, the UN Secretary General's Special Envoy for the Implementation of Security Council Resolution 1559, announced on 31 October that he had received reports from Lebanese government officials of ''extensive weapons smuggling into Lebanon''.

In an unprecedented step, the Lebanese armed forces have deployed over 8,000 troops along the 265 km Lebanon-Syria border to counter these activities.

While they have managed limited successes, ''the length of the border and the forces allocated for the mission by the government are insufficient'', the sources said.

''Moreover, because of the sensitivity of the issue and the considerable concern over Hizbullah's military strength—where the Lebanese forces do not want to openly confront Hizbullah—the general trend is to turn a blind eye toward the border activity and to detect and cover up exposed weapon smuggling incidents as quickly as possible,'' the source said.

At the same time, 19 vessels of the reinforced UN Interim Force in Lebanon (UNIFIL–2) are patrolling Lebanese waters and inspecting ships approaching the country to prevent maritime smuggling.

A Western diplomatic source told Jane's that the Islamic Resistance—citing lessons learned in the early stages of the conflict where it lacked the means to contend with IAF operations—has specifically pressured Iran for ''an array of more advanced weaponry, including surface-to-air missile [SAM] systems.''

The source said that ''following the supply of an undisclosed quantity of Iranian-made Noor [reverse-engineered Chinese C802/YJ–2] radar-guided anti-ship cruise missiles and Chinese QW–1 [Vanguard] shoulder-launched SAMs'', Iran has agreed to supply advanced Russian-made SAM systems to Hizbullah as part of its strategy to transform Hizbullah ''into a coherent fighting force and a regional strategic arm''.

The source added that Tehran will supply Hizbullah with Russian-produced SAMs, including the Strela-2/2M (SA–7 ''Grail''), Strela-3 (SA–14 ''Gremlin'') and Ilgla-lE (SA–16 ''Gimlet'') man-portable SAMs. Iran is also understood to have agreed to deliver its own version of the Chinese QW–l man-portable low- to very-low-altitude SAM system—the Mithaq-l—developed by the Iranian Defence Ministry's Shahid Kazemi Industrial Complex in Tehran.

Iran has, in the interim, set out to restock Hizbullah's inventory of 122 mm Grad-series Katyusha rockets, 240 mm Fajr-3 and 333 mm Fajr-5 rockets, truck-mounted Falaq-l and Falaq-2 truck-mounted multiple-launch rockets systems, RAAD–T and Toophan ATGWs and Nader improved rocket-propelled grenades (RPGs), the source said. However, to date there is no evidence that Tehran is replenishing Hizbullah's Zelzal-series longer-range rockets, although sources suggest these could still be smuggled in separate component packages.

Syria, the source said, continues to resupply Hizbullah with 220 mm and 302 mm rockets (dubbed Raad and Khaibar-l (M302 by the IDF) respectively); Kornet-E, Metis-M and Konkurs ATGWs; and RPG–29 tandem-warhead RPGs.

These moves come despite offers to Israel from Syrian President Bashar al-Assad on 19 December to crack down on Hizbullah and the Palestinian Islamic Resistance Movement, Hamas, in exchange for a return to negotiations.

□ 1445

APPOINTMENT OF MEMBERS TO BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The SPEAKER pro tempore (Mr. LYNCH). Pursuant to sections 5580 and 5581 of the Revised Statutes (20 U.S.C. 42–43), and the order of the House of January 4, 2007, the Chair announces the Speaker's appointment of the following Members of the House to the Board of Regents of the Smithsonian Institution:

Mr. BECERRA, California
Ms. MATSUI, California.

APPOINTMENT OF MEMBERS TO SELECT INTELLIGENCE OVERSIGHT PANEL

The SPEAKER pro tempore. Pursuant to clause 4(a)(5) of rule X, and the order of the House of January 4, 2007, the Chair announces the Speaker's appointment of the following Members of the House to the Select Intelligence Oversight Panel of the Committee on Appropriations:

Mr. HOLT, New Jersey, Chairman
Mr. OBEY, Wisconsin
Mr. MURTHA, Pennsylvania
Mr. REYES, Texas
Mr. DICKS, Washington
Mrs. LOWEY, New York
Mr. CRAMER, Alabama
Mr. SCHIFF, California
Mr. LAHOOD, Illinois, Ranking Minority Member
Mr. LEWIS, California
Mr. YOUNG, Florida
Mr. HOEKSTRA, Michigan
Mr. FRELINGHUYSEN, New Jersey.

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.)

CONGRATULATING THE RICHLAND SPRINGS COYOTES FOOTBALL TEAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. CONAWAY) is recognized for 5 minutes.

Mr. CONAWAY. Mr. Speaker, I rise today to commend the Richland Springs Coyotes football team for winning the 2006 Six-Man Division 1 State Champions and the Sports Illustrated six-man football poll national championship. With its second national crown in 3 years, Richland Springs becomes only the third school to achieve such an honor.

Playing before a record crowd of 12,000 fans at Abilene's Shotwell Stadium, they defeated the Rule Bobcats by a score of 78–58, finishing the year with a perfect 14–0 record. The Coyotes broke the 1988 record for the highest score in a championship game and amazed the fans with their speed and skill by recovering the on-side kick to open the game.

Six-man football has a long history in Texas. From its beginning in 1938, Texas now has over 102 public schools and as many as 60 private schools continuing this proud tradition of six-man football.

I want to recognize the tireless efforts of Coach Burkhart, Coach Ethridge, Coach Dodson, and Coach Rogers for the national and State titles that they have brought to Richland Springs.

I also want to recognize members of the team: Coey Smith, Jeremiah Ramirez, Cason Fikes, Houston Burleson, Mark Williams, Haustin Burkhart, Kevin Larson, Shelby Smith, James Farris, Nigel Bates, Mitchell Jacobson, Andrew Fowler, Chevy Saldivar, Tyler Ethridge, Richie Daniels, Adrian Avila, Bobby Borders, Khalid Khatib, Patrick

Couch, Genero Hernandez, Randy Couch, Daniel Barrett, Abraham Ahumada, Branch Vancourt, C.J. Finke, Dean King, Dean Charriez, Jesstin Fox, and Ryan Soto.

I congratulate the Richland Springs Coyotes on their national and State championships and wish them the best of luck next season.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE PRESIDENT'S STATE OF THE UNION SPEECH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, well, this evening the President, in bowing to the electoral reality of last November and, with finally some recognition of real problems confronting our Nation and our citizens, is about to begin, in his State of the Union, to address the issue of the need for an expansion of health insurance. Forty-six million Americans lack health insurance, 1 million more per year every year this President has been in office. He will also address the issues of energy efficiency, energy independence, and global warming; and we welcome some remarks from the President in those areas. And he is going to address the debt and the deficit.

We welcome this new focus on these extraordinarily important and difficult issues that have been pretty much ignored during his Presidency. Unfortunately, his rhetorical U-turn is not going to be matched by the reality of his proposals. In order to provide health insurance to 46.1 million people who don't have it, he says we should tax people who do have health insurance.

Now, that is interesting because the President, of course, gets his health insurance for free. And his proposal would also extend tax benefits to the wealthiest among us because many people who don't have health insurance can't benefit from tax breaks. They don't pay Federal income taxes.

That is not a real solution. A real solution would be to take on the antitrust immunity of the insurance industry, estimated to raise $45 billion, saving consumers that money. That is the cost of uninsured health care in America.

Energy efficiency and independence, well, we will wait and hear what the President has to say. But remember a year ago, he talked about our addiction to oil, and all his policies have been designed to further that addiction thus far.

On the debt and the deficit, he still wants to cut taxes for the wealthiest among us. He wants to extend, to make permanent, all of his tax cuts; exempt all estates from taxes; and says he is going to balance the budget. Well, if he was really going to do that by the year 2012, he would have to eliminate the Federal Government except for the Department of Defense, a little bit of the Department of Homeland Security, because the projected deficit is as large as about the rest of the discretionary budget if his tax cuts are maintained. You have to begin to raise revenues from the wealthiest among us to address this gaping maw hole, the deficit.

And then there is one very important problem where he isn't even pretending to change direction, one where a majority of the American people and a majority of the United States disagree with the President's nostrum, and that is his desire to escalate the war in Iraq as a way out. Defying his own Joint Chiefs of Staff and the senior officers and advisers in the military; defying the Prime Minister of Iraq, who said we shouldn't put more Americans into Baghdad; defying the American people; and defying this Congress, the President is going to offer us more stay the course in Iraq and try to spin it into a new policy that will lead to success.

We want to succeed, but to succeed, the Iraqi Government has to be willing to take on some of its own problems. The Shiias and the Sunnis have got to stop slaughtering each other trying to settle a 1,400-year-old grudge and putting us in the middle of their civil war. They have got to begin to meaningfully share power, and they have got to begin to resolve their own issues. And the U.S. sending more troops is not going to lead them down that path.

So I fear that what the President is proposing there will lead to more conflict. It may look good in the short term, but long term it is not going to resolve this very difficult issue.

I hope that the President offers us some real changes in direction tonight and not just a rhetorical U-turn to bow to the reality of the elections.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

(Mr. POE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

WE NEED A NEW DIRECTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. KUCINICH) is recognized for 5 minutes.

Mr. KUCINICH. Mr. Speaker, a State of the Union Address is an opportunity for the Nation to take stock of where it is at this exact moment.

It is obvious that the entire domestic agenda has been swallowed up by the war in Iraq. With over 3,000 U.S. soldiers killed in action; with over 650,000 innocent Iraqi civilians dead in the war; with this Nation's having spent over $400 billion in the war and, according to Nobel Prize winning economist Joseph Stieglitz, will spend up to $2 trillion for the war in Iraq, we have seen the hopes and the aspirations of the American people for more jobs, for better housing, for decent health care, for education for their children just swept aside as the administration focuses intently not only on the war, but escalating the war.

I think all across this country people are hopeful that America will have a new agenda, one which will recognize that we must focus on America's basic needs. It is time for America to come home. Come home and start taking care of the needs of our people here for decent housing, the needs of our people for health care. Over 100 million Americans either have no health insurance or lack access to adequate health insurance, and yet we are about destroying the health of the people of Iraq instead of focusing on the needs of our people here back home.

Martin Luther King said it years ago in his speech at Riverside Church in New York. He said that the hopes and the aspirations of people of two countries were being set aside. He was speaking of Vietnam and the United States. Today the hopes and the aspirations of people of two countries, of Iraq and the United States, are being set aside in this head-long rush to escalation of a war.

Now, what should be our policies, and what steps should we take? First of all, this isn't just about opposing escalation. I would say that is pretty easy to do based on the record of this administration's conduct of the war. But we should be taking a strong stand against the occupation. We should be demanding that the United States end the occupation, that we bring our troops home, that we close our bases. That then will set the precondition that is necessary for the world community to come together and support a peacekeeping and security mission in Iraq. That then sets the stage for the Iraqi people to reach a moment of possibility for reconciliation between the Shiites, the Kurds, and the Sunnis. It is absolutely imperative that the United States announce that it is going to end the occupation because it is the occupation which is fueling the insurgency.

Tonight the Nation is waiting for a new direction. It is not looking for more war. It is not looking for more casualties. It is not looking for a continued destruction of our domestic agenda. So we are here to state that there is a plan, and I have submitted it.

The Kucinich 12-point plan is the plan that sets the stage for America to take a new direction. That direction is out of Iraq, but it is also a direction of reconciling with the world community because the way this administration responded to 9/11 separated us from the world community. At a moment when the whole world was ready to embrace the United States in its suffering and

to work with us to meet the challenges of security, we set ourselves apart with strategies of unilateralism, first strike, and preemption. We need to replace that with strategies of embracing the world community, of working together, of recognizing that the world is interdependent, interconnected. And because of that, we understand the common fate which we all have on this planet to work together, to put together structures of peace internationally.

And the United States must take that direction. We must engage with Iran and Syria. We must reach out to the region and look for a solution and find that solution which will enable us to bring our troops home. We can have our troops home in 3 months if we can come up with an agreement and a new direction, and we should be about that work.

Mr. Speaker, the American people want health care. The American people want jobs. The American people want education for their children. The American people want retirement security. And our whole domestic agenda is sacrificed for this war.

It is time for a new direction. It is time for a State of the Union which celebrates what we have in America that needs to be improved, which restates the American vision of a Nation for all, and which takes us away from policies of endless war.

NAFTA AND THE DRUG TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, this evening we are going to listen to the President of the United States, and I have no doubt in the State of the Union he will talk about the war on terrorism, and he will talk about the need to create jobs in Iraq to stabilize the terrible situation there, and he will talk about more funds for reconstruction of Iraq. Our Nation has already spent over $500 billion and rising in that sad country.

But I would like to focus on the United States just for a second, if I could, and talk about the terrorism focused inside of this country and point out that 90 percent of all the drugs that are smuggled into this country enter through our border with Mexico, and that is according to our State Department. In fact, under NAFTA, the North American Free Trade Agreement, which his father negotiated, drug and drug-related smuggling across the Mexican border has risen to over $142 billion a year, according to our Drug Enforcement Agency.

□ 1500

Every single community in our country is affected, not just border communities. Every single jail, every single sheriff, every single law enforcement official, every single prison. Our communities are infected with burglaries, with robberies, with personal assaults related to the abuse of drugs in our country. I will be very interested to see what the President has to say about that war on terrorism tonight that affects every single neighborhood in this country.

NAFTA brings a significant increase in cargo traffic across our southern border and thus strains the enforcement efforts of our border patrols and enables traffickers and terrorists. In fact, 9,300 commercial trucks cross our border daily. 9,300 more trucks. And do you know how many we inspect? Five percent. Five percent. So there is a 95 percent chance for smugglers who are out there, whatever they want to get into this country, that will be their rate of success.

Now, the Mexican Government is working very hard to build a four-lane highway which they call La Entrada al Pacifico, the Entrance from the Pacific. And the idea there would be to redirect so much of the traffic from Asia, from China, these big ships that are bound for the United States, from the west coast, Ports of Los Angeles and Oakland, further south, and stretch the actual shipping lanes into Mexico versus the United States. It is estimated that as much as 30 percent of the truck traffic will also be diverted from California and El Paso to the ports of entry at Presidio.

The idea is that the highway into our country would begin further south where goods would come in in deepwater ports, and the completed route would save up to 4 shipping days for goods moving between the Pacific Rim countries and Texas, which would be one of the major ports of entry into our country.

The problem is that we really haven't addressed the issue of drug smuggling as a part of this. Ninety percent, again, of all drugs smuggled into this country come over the Mexican border. That area has become almost lawless. Hundreds of murders related to drug trafficking go unaddressed both on the Mexican side of that border and our side. We really need to have a border enforcement organization that is negotiated by treaty by amending NAFTA in order that we can have proper enforcement along that very porous part of our country which makes us so vulnerable.

Our border guards are overwhelmed. We know that pedestrian traffic has increased by 55 percent across that border, according to the Drug Enforcement Administration, and all kinds of vehicular traffic. Can you imagine that one place on that border accounts for 70 to 90 percent of the cocaine sold in the United States smuggled through that region? In fact, the drug cartels have moved up their major source of operation in Colombia up to the state of Juarez, and now control the state of Juarez just south of the State of Texas. This is real terrorism poised at our country.

Let's say the people in the Middle East want to get something into the United States. You mean to tell me they haven't thought about this? Of course they have. And we know that drug presence leads to more violence and more corruption at every level.

An unreleased Drug Enforcement Agency report notes that drugs, weapons, people traffickers, and terrorist organizations have to cross the border from Mexico into the United States, and they will use one of the many corridors available to them. I hope that the President of the United States tonight talks about securing our southern border.

[From the Inland Valley Daily Bulletin, Dec. 27, 2006]

CROSSROADS OF CONFLICT—WORLD TRADE BRIDGE HAS CHANGED THE U.S.-MEXICO BORDER, FOR GOOD AND BAD

(By Sara A. Carter)

LAREDO, TEXAS.—The mammoth globe on the World Trade Bridge spins in the glow of the Texas moon, welcoming hundreds of cargo trucks from Mexico to the United States' largest inland port.

Nighttime is the slowest time for the bridge.

During the day, literally thousands of trucks cross the span into the U.S., headed for destinations scattered throughout the Midwest and East and north into Canada.

Traffic between Laredo and Nuevo Laredo, on Mexico's side of the bridge, is only expected to increase in coming years with Mexico anticipating billions of dollars in new trade, mainly from China, on its way to the United States, according to a U.S. Drug Enforcement Administration executive summary.

Increasing trade has, however, been matched by growth in corruption and death in both border cities, though U.S. and Mexican officials are loathe to admit it.

$142 billion in drug trade between the U.S. and Mexico, according to the U.S. Drug Enforcement Administration.

86,000 Transportation jobs created as a result of the World Trade Bridge.

9,300 Commercial trucks pass through the World Trade Bridge daily.

90% of all drugs smuggled into the United States enter through its border with Mexico.

The prospect of expanded trade in Mexican states controlled by some of the country's most dangerous cartel leaders could pose serious national security challenges for the United States, an internal DEA report obtained by the Daily Bulletin explains.

The report, which has never been released, examines how already strained federal law enforcement agencies monitoring border security and narcotics will be challenged by not only Mexican and South and Central American drug trafficking organizations, but also by Asian cartels.

With slim resources to monitor cargo and inadequate border security measures in place, it will be next to impossible for U.S. agencies to stem the tide of contraband expected to enter the country from Mexico, the DEA report warns. Agencies will be hard-pressed to monitor the billions of dollars in contraband expected to enter the nation if U.S. officials don't take heed.

''Contraband can be anything from narcotics, pirated videos, humans or weapons of mass destruction,'' said David Monnette, spokesman for the DEA in El Paso, Texas. ''These drug trafficking organizations know that we are spread thin, and many times they use legitimate trade routes to move their contraband into the United States.

This report explains the possible dangers of not addressing these issues.''

TRADE ROUTE

A joint venture of Texas and the Mexican government, La Entrada al Pacifico (Gateway to the Pacific) which also is the title of the DEA report is meant to get more goods from Asia north into the United States.

The plan which involves redirecting more than half of East Coast-bound Asian cargo from the ports of Long Beach and Los Angeles to Mexico will stretch the power of Mexican cartels while aligning them with Asian drug-trafficking organizations, according to the DEA report. That report focuses on the Mexican port of Topolobampo, Sinaloa, on Mexico's southwestern coast.

But Topolobampo has taken a back seat during the past year to another port, Lázaro Cárdenas, just 72 hours from Laredo.

Lázaro Cárdenas, the deepest container port on the Pacific, is in southern Mexico, in Michoacán. The volume of re-routed trade through it is expected to explode within the next four years.

And that's troubling to U.S. authorities.

''The (plan) represents an expanding threat to the U.S. for drug, weapon and alien smuggling, as well as related crime, through a 260-mile stretch of Texas into the heartland of the U.S.,'' the report states. ''(Drug trafficking organizations) will be able to exploit the new corridor through the use of established smuggling networks and associations with Mexican drug trafficking organizations.

''They may evade U.S. law enforcement under the guise of the North American Free Trade Agreement (NAFTA) and use established Asian communities in the U.S. for the distribution of drugs.''

PIGGY-BACKING

Ninety percent of all non-domestic narcotics enter the U.S. through the Mexican border, according to a 2005 U.S. State Department report.

Drugs are a multibillion-dollar industry for cartels in Latin America. The National Drug Intelligence Center conservatively estimates more than $108 billion roughly equal to the combined gross domestic product of Ecuador and Guatemala in drugs comes into the U.S. yearly. The U.S. Drug Enforcement Administration puts the figure at $142 billion in drug trade just between the U.S. and Mexico. Other estimates soar even higher.

''NAFTA has made smuggling drugs across the border easier by several means,'' including via cargo trucks, the DEA report notes. ''The volume of truck traffic coming across the border necessitates the expediting of inspections to the point that few trucks are thoroughly inspected.''

More than 9,300 commercial trucks, carrying everything from pinatas to electronics, pass through Nuevo Laredo into Laredo each day, according to U.S. Customs and Border Protection officials. As cargo shifts from Los Angeles to Mexico, it is expected to triple the amount of traffic moving from Mexico through the Texas highway system.

At the same time, drug cartels are using the trucks to piggy-back more than $10 million a day in drugs through the Laredo corridor into the United States, according to senior DEA officials interviewed by the Daily Bulletin.

The numbers aren't surprising, said TJ Bonner, president of the National Border Patrol Council. In July, Bonner testified before Congress that less than 5 percent of the 6 million cargo containers entering the U.S. each year are physically inspected by U.S. Customs and Border Protection agents.

''From the standpoint of homeland security, this plan (Gateway to the Pacific) is a nightmare,'' Bonner said. ''Any possible benefit of expedited trade is going to be totally eclipsed by the increased amount of contraband . . . slipping across borders.''

Hidden among the televisions, piñatas and clothing are heroin, cocaine and methamphetamine, law enforcement officials say. Worse are weapons and people, and the possibility of terrorist organizations using gaps in border security to put their agents in the United States. ''. . . All such ventures have one common factor: They have to cross the border from Mexico into the U.S., and they will use one of several corridors available to do so,'' the DEA report points out. ''La Entrada al Pacifico is one of the corridors.''

THE BRIDGE

With the ports of Long Beach and Los Angeles already stretched to capacity, Lázaro Cárdenas' ability to handle billions of dollars worth of cargo from Asia is proving a godsend to global corporations and city leaders in the American southwest.

For their part, Port of Los Angeles officials say they don't expect the Mexican port to siphon off anywhere near the amount of cargo called for in the Gateway to the Pacific Plan, though they admit business is booming.

Theresa Adams Lopez, the L.A. port's media director, said she disagrees with the assumption that half of the Asian cargo headed to Los Angeles will be diverted to ports in Mexico.

''Our cargo is expected to double and triple in the upcoming years,'' she said. ''The bulk of it is still going to come in through the Port of L.A. and through our partner, the Port of Long Beach.

''A lot of the problem with new developments like the one in Mexico is the infrastructure rail and roads to get things out. Coming here is literally one stop, and going there would be two stops first from their original destination, and then through Mexico to the United States.

''There is plenty of cargo to go around,'' she said. ''But the contention that half of our business will go away is not true.''

Regardless, Laredo officials are pinning their hopes on increased port business, and tout the World Trade Bridge and its ability to handle cargo from places like Lázaro Cárdenas as the lifeblood of Webb County, Texas.

Born out of NAFTA, the bridge signaled the beginning of a bright future with Mexico as a significant partner in North American trade.

According to a 2004 U.S. Census Bureau report, the most recent data available, the Port of Laredo handles more than $130 billion worth of goods and merchandise each year. Nearly 86,000 transportation jobs have been created since the World Trade Bridge was built. More than 90 percent of the truck traffic between Laredo and Nuevo Laredo goes over it.

Expansion of Lázaro Cárdenas will allow delivery of cargo to the East Coast via the World Trade Bridge four to five days faster than from California, say proponents of the plan especially officials in Laredo, which benefits every time traffic and trade increase.

''NAFTA started moving Laredo away from being the frontier land to the center of something very significant,'' said Roger Creery, executive director of the Laredo Development Foundation. ''We're not the U.S. vs. Mexico vs. Canada anymore. We are the Americas.''

Even as Congress held numerous immigration field hearings during the summer to determine the extent of security failures at the U.S. border, private corporations, local and federal government officials and international investment corporations were planning for trade expansion.

Those plans include finishing the Trans-Texas Corridor, which would open the highways to future shipping of cargo from Lázaro Cárdenas, whose biggest investors are Hong Kong-based Hutchison Port Holdings Group and Wal-Mart. Those two firms already have invested more than $300 million to expand the container port.

For many business and political leaders, the economic growth promised by Gateway to the Pacific and the Trans-Texas Corridor outweighs any perceived danger about national security or increased drug trafficking.

That philosophy seems to be heard even in the words of former Laredo Mayor Elizabeth Flores, who was criticized publicly earlier this year for playing down the escalation of violence in Nuevo Laredo.

''We've lived with the cartels all of our lives,'' Flores said in an interview a few weeks before she left office. ''They are a part of life on the border. Eventually, one will take control, and the killings will slow down.''

The business Lázaro Cárdenas will bring to Laredo and Nuevo Laredo could transform both cities, Flores added.

''It's about growth, not death,'' she said.

With billions of dollars in legal trade at stake, bad publicity simply isn't something business leaders or politicians are willing to acknowledge, others say.

''See no evil, hear no evil,'' said Webb County Sheriff Rick Flores, who testified before Congress numerous times this year about growing violence in Laredo, the county's largest city, and along the border. ''That's the way they want it, and that's what they have done.''

VIOLENT NEIGHBOR

Lost in the talk about bigger business and improved trade is the picture of life on the street in Nuevo Laredo.

The drug cartels have compromised truck drivers, U.S. Customs inspectors at ports of entry and business owners on both sides of the river, according to residents and law enforcement officials.

And then there are the killings, which come on a stunningly regular basis.

The sound of gunfire in the distance doesn't seem to shock residents in the heart of Nuevo Laredo. Many of their homes are fortified with thick cement blocks, iron gates and barbed wire protection from the high-powered weapons used by the cartels.

''The government is owned by the cartels,'' said an older woman returning home. ''As the trucks make their way to America freely, we are forced to live like animals. While the rich get richer, we are here dying, and nobody really cares.''

Residents in Nuevo Laredo say that the violence has only become worse over the past year. Expansion of trade routes will only heighten the tension and violence among Mexico's cartels, they contend.

''They want to control the routes into the United States,'' said Nacho, a Nuevo Laredo resident whose real name was withheld to protect his identity. ''In a way, they already do. And U.S. officials should be worried, because the cartels will do anything for money. They will kill anyone, help anyone, do anything to get what they need to move contraband across the border for the right price.''

The DEA report echoes what Nacho and other residents believe. The possibility of a ''direct, nearly inspection-free route to the central U.S. and expanded market for drugs'' has or will result in the following, according to the report:

Networks created by Mexican and Asian organized crime organizations to smuggle illegal aliens, counterfeit products and pirated intellectual property into Mexico.

Cargo containers being used to smuggle drugs into the U.S.

Distribution networks being created by Asian gangs in communities.

Creation of legitimate businesses in the U.S. to cover up smuggling, contraband and money laundering.

Expedited truck inspections ''to keep substantial backup of trucks from regularly occurring.''

The cartels' reach extends well beyond the streets and people of Nuevo Laredo and the border, however.

On Dec. 12, newly elected President Felipe Calderón sent more than 6,500 troops to Michoacán, where the Port of Lázaro Cárdenas is located, in an effort to get a handle on the growing violence.

Calderón also transferred 10,000 troops from the army and navy to the federal police force on Dec. 13, the largest move against narcotics traffickers since his predecessor, former President Vicente Fox, sent nearly 1,000 troops to Nuevo Laredo to squelch a drug war that has killed more than 3,000 people across the country during the past two years.

Calderón may have learned how deadly dealing with the cartels can be. First Lady Margarita Zavala, Calderón's wife, lost her cousin, Luis Felipe Zavala, on Dec. 12 when gunmen open fired on his SUV in Mexico City.

According to DEA intelligence officials, Zavala's assassination was retaliation for Calderón's promise to take down Mexico's drug kingpins. ''It was an assassination of opportunity,'' said one DEA intelligence official who requested anonymity. ''... It was directly related to Calderón's move into Michoacán.''

However, Mexico's attorney general, Eduardo Medina Mora, told reporters the incident was a coincidence.

''There is at this time no indication ... that would suggest or make us guess that this unfortunate event was related to the Mexican government's efforts against organized crime,'' he told reporters at a press conference a day after the killing.

Since the Sept. 11, 2001, attacks, the Department of Homeland Security has tried to beef up security along the border. Officials say new technologies radiation portal monitors, hand-held radiation detectors and X-ray machines assist front-line agents in detecting dangerous materials that may be in trucks at ports of entry.

U.S. Customs and Border Protection spokesman Pat Jones said striking a balance between increased traffic and inspections is challenging. New programs implemented by the Department of Homeland Security have assisted in better checks at ports of entries along the southwest border, he said.

''It may be possible to improve the flow of legitimate trade and improve security,'' Jones said. ''Prior to 9/11, the thought was that if you improve security, you're going to slow down cargo trade. We've learned that if you actually could identify and separate the risk-free cargo, the flow of cargo could be expedited.''

But once the illegal cargo finds its way into the U.S., there's little law enforcement can do.

Laredo police can barely keep up with the violence spilling into their community from their sister city across the border. Sheriff Flores said growing violence and corruption in Mexico is spilling into the U.S. and becoming increasingly difficult to manage.

''The cartels have more power, money and weaponry than we do,'' he said. ''The cartels know how to get their narcotics across the (World Trade) bridge. They're not afraid to lose some of their loads; they expect it. The risk is worth it because the possibility of getting caught is minimal, at best.''

THE IRAQ WAR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WATERS) is recognized for 5 minutes.

Ms. WATERS. Mr. Speaker and Members, tonight the President of the United States will address a joint session of Congress to offer his assessment of the state of the Union. He is expected to spend a lot of time talking about domestic issues and will reportedly spend some time on the war on terror. However, very little, if any, of his State of the Union address will discuss the war in Iraq.

Ladies and gentlemen, the President of the United States has bungled the management of this war, and he certainly needs to explain further why he feels that escalation will suddenly turn the situation in Iraq around. The reality is that escalation will not bring us success. The President pushed forward against the advice of many Members of Congress, the joint chiefs of staff, and many experts in and outside of government. Even the Iraqi Prime Minister did not want more U.S. troops sent to his country.

Since Friday, January 19, 2007, 27 members of our armed services have died in Iraq. These deaths bring the total number of U.S. servicemembers that have died in Iraq since the war in Iraq began to 3,029. More than 22,000 others have been seriously injured.

The insurgent attacks against the United States military have become more and more brazen. In one of the attacks over the past weekend, insurgents wore uniforms that looked like official U.S. uniforms and used vehicles that the U.S. and Iraqi officials use. According to press accounts, Iraqi guards at a government compound allowed several vehicles traveling in a caravan through checkpoints because they were wearing what appeared to be legitimate U.S. military uniforms and driving cars commonly used by foreigners. Once the insurgents were inside the compound, they attacked and killed five of our troops. Witnesses say that the attackers targeted only U.S. servicemembers and not the Iraqis who were in the room. Elsewhere in Iraq, 12 Americans were killed when their Blackhawk helicopter was attacked, and 10 others were killed in fire fights with insurgents.

Mr. Speaker, Iraq is in a civil war. The level of violence is growing each day, and increasingly our troops are caught in the middle of it. By adding more troops, as the President plans to do, we will only increase the risk of more U.S. deaths and injuries.

Nearly everyone agrees that the war will not be won through military means. Instead, there is general agreement that stability in Iraq and the Middle East will only come about through intense diplomatic efforts.

The President's Iraq policy has failed. Sending more troops to Iraq will only make the situation worse. As the saying goes: when you find yourself in a hole, stop digging. Mr. President, I would urge you to stop digging and bring our troops home.

Ladies and gentlemen, this is what bothers me about what is happening in Iraq. Our military, our troops don't know a Sunni from a Shiite from a Kurd. They are with Iraqi soldiers who don't like them oftentimes, who desert us when there is a confrontation, and who undermine us. There are those who believe that the way that the insurgents got into the compound was they were allowed in there by Iraqi soldiers.

How can we win in the middle of a civil war? We can't win. It is time for the President of the United States to come up with a reasonable exit plan. We have not asked, and nobody is saying, Quick withdrawal. Withdrawal in 24 hours. Some would make you believe we are saying that, but we are not. We are talking about a well thought through reasonable plan for getting out of Iraq. Some people would like to say, Oh, if you don't continue to support the President's request for additional funds, that you are deserting the soldiers. Not so.

And the Members of this Congress have got to have the courage to stand up and explain the difference between the sound bites and what those on the opposite side of this issue would describe as our efforts of getting the soldiers out and the truth. The truth of the matter is we all know there is enough money in the pipeline to credibly come out of Iraq in a timely way.

PUBLICATION OF THE RULES OF THE COMMITTEE ON ARMED SERVICES, 110TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Madam Speaker, In accordance with clause 2 of rule XI of the Rules of the House, I respectfully submit the rules of the Committee on Armed Services for printing in the CONGRESSIONAL RECORD. On January 10, 2007, the Committee on Armed Services adopted by a unanimous vote, a quorum being present, the following rules:

RULES OF THE COMMITTEE ON ARMED SERVICES, 110TH CONGRESS

RULE 1. APPLICATION OF HOUSE RULES

The Rules of the House of Representatives are the rules of the Committee on Armed Services (hereinafter referred to in these rules as the ''Committee'') and its subcommittees so far as applicable.

RULE 2. FULL COMMITTEE MEETING DATE

(a) The Committee shall meet every Wednesday at 10 a.m., when the House of Representatives is in session, and at such other times as may be fixed by the Chairman of the Committee (hereinafter referred to as the ''Chairman''), or by written request of members of the Committee pursuant to clause 2(c) of rule XI of the Rules of the House of Representatives.

(b) A Wednesday meeting of the Committee may be dispensed with by the Chairman, but such action may be reversed by a written request of a majority of the members of the Committee.

RULE 3. SUBCOMMITTEE MEETING DATES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on all matters referred to it. Insofar as possible, meetings of the Committee and its subcommittees shall not conflict. A subcommittee Chairman shall set meeting dates after consultation with the Chairman, other subcommittee Chairmen, and the Ranking Minority Member of the subcommittee with a view toward avoiding, whenever possible, simultaneous scheduling of committee and subcommittee meetings or hearings.

RULE 4. JURISDICTION AND MEMBERSHIP OF COMMITTEE AND SUBCOMMITTEES

(a) Jurisdiction

(1) The Committee retains jurisdiction of all subjects listed in clause 1 (c) of rule X of the Rules of the House of Representatives and retains exclusive jurisdiction for: defense policy generally, ongoing military operations, the organization and reform of the Department of Defense and Department of Energy, counter-drug programs, acquisition and industrial base policy, technology transfer and export controls, joint interoperability, the Cooperative Threat Reduction program, Department of Energy nonproliferation programs, and detainee affairs and policy. While subcommittees are provided jurisdictional responsibilities in subparagraph (2), the Committee retains the right to exercise oversight and legislative jurisdiction over all subjects within its purview under rule X of the Rules of the House of Representatives.

(2) The Committee shall be organized to consist of seven standing subcommittees with the following jurisdictions:

Subcommittee on Air and Land Forces: All Army and Air Force acquisition programs (except strategic missiles, special operations and information technology programs). In addition, the subcommittee will be responsible for deep strike bombers and related systems, National Guard and Army and Air Force reserve modernization, and ammunition programs.

Subcommittee on Readiness: Military readiness, training, logistics and maintenance issues and programs. In addition, the subcommittee will be responsible for all military construction, installations and family housing issues, including the base closure process.

Subcommittee on Terrorism, Unconventional Threats and Capabilities: Department of Defense counter-proliferation and counter-terrorism programs and initiatives. In addition, the subcommittee will be responsible for Special Operations Forces; science and technology policy, including the Defense Advanced Research Projects Agency and information technology programs; force protection policy and oversight; homeland defense and consequence management programs within the committee's jurisdiction; and related intelligence support.

Subcommittee on Military Personnel: Military personnel policy, reserve component integration and employment issues, military health care, military education and POW/MIA issues. In addition, the subcommittee will be responsible for Morale, Welfare and Recreation issues and programs.

Subcommittee on Strategic Forces: Strategic Forces (except deep strike systems), space programs, ballistic missile defense, intelligence policy and national programs and Department of Energy national security programs (except non-proliferation programs).

Subcommittee on Seapower and Expeditionary Forces: Navy and Marine Corps programs (except strategic weapons, space, special operations and information technology programs) and Naval Reserve equipment. In addition, the subcommittee will be responsible for Maritime programs under the jurisdiction of the Committee as delineated in rule X, clauses 5, 6, and 9 of the Rules of the House of Representatives.

Subcommittee on Oversight and Investigations: Any matter within the jurisdiction of the Committee, subject to the concurrence of the Chairman of the Committee and, as appropriate, affected subcommittee chairmen. The subcommittee shall have no legislative jurisdiction.

(b) Membership of the Subcommittees

(1) Subcommittee memberships, with the exception of membership on the Subcommittee on Oversight and Investigations, shall be filled in accordance with the rules of the Majority party's caucus and the Minority party's conference, respectively.

(2) The Chairman and Ranking Minority Member of the Subcommittee on Oversight and Investigations shall be filled in accordance with the rules of the Majority party's caucus and the Minority party's conference, respectively. Consistent with the party ratios established by the Majority party, all other Majority members of the subcommittee shall be appointed by the Chairman of the Committee, and all other Minority members shall be appointed by the Ranking Minority Member of the Committee.

RULE 5. COMMITTEE PANELS AND TASK FORCES

(a) Committee Panels

(1) The Chairman may designate a panel of the Committee consisting of members of the Committee to inquire into and take testimony on a matter or matters that fall within the jurisdiction of more than one subcommittee and to report to the Committee.

(2) No panel appointed by the Chairman shall continue in existence for more than six months after the appointment. A panel so appointed may, upon the expiration of six months, be reappointed by the Chairman for a period of time which is not to exceed six months.

(3) Consistent with the party ratios established by the Majority party, all Majority members of the panels shall be appointed by the Chairman of the Committee, and all Minority members shall be appointed by the Ranking Minority Member of the Committee. The Chairman of the Committee shall choose one of the Majority members so appointed who does not currently chair another subcommittee of the Committee to serve as Chairman of the panel. The Ranking Minority Member of the Committee shall similarly choose the Ranking Minority Member of the panel.

(4) No panel shall have legislative jurisdiction.

(b) Committee and Subcommittee Task Forces

(1) The Chairman of the Committee, or a Chairman of a subcommittee with the concurrence of the Chairman of the Committee, may designate a task force to inquire into and take testimony on a matter that falls within the jurisdiction of the Committee or subcommittee, respectively. The Chairman and Ranking Minority Member of the Committee or subcommittee shall each appoint an equal number of members to the task force. The Chairman of the Committee or subcommittee shall choose one of the members so appointed, who does not currently chair another subcommittee of the Committee, to serve as Chairman of the task force. The Ranking Minority Member of the Committee or subcommittee shall similarly appoint the Ranking Minority Member of the task force.

(2) No task force appointed by the Chairman of the Committee or subcommittee shall continue in existence for more than three months. A task force may only be reappointed for an additional three months with the written concurrence of the Chairman and Ranking Minority Member of the Committee or subcommittee whose Chairman appointed the task force.

(3) No task force shall have legislative jurisdiction.

RULE 6. REFERENCE AND CONSIDERATION OF LEGISLATION

(a) The Chairman shall refer legislation and other matters to the appropriate subcommittee or to the full Committee.

(b) Legislation shall be taken up for a hearing or markup only when called by the Chairman of the Committee or subcommittee, as appropriate, or by a majority of those present and voting.

(c) The Chairman, with approval of a majority vote of a quorum of the Committee, shall have authority to discharge a subcommittee from consideration of any measure or matter referred thereto and have such measure or matter considered by the Committee.

(d) Reports and recommendations of a subcommittee may not be considered by the Committee until after the intervention of three calendar days from the time the report is approved by the subcommittee and available to the members of the Committee, except that this rule may be waived by a majority vote of a quorum of the Committee.

RULE 7. PUBLIC ANNOUNCEMENT OF HEARINGS AND MEETINGS

Pursuant to clause 2(g)(3) of rule XI of the Rules of the House of Representatives, the Chairman of the Committee, or of any subcommittee, panel, or task force shall make public announcement of the date, place, and subject matter of any hearing before that body at least one week before the commencement of the hearing. However, if the Chairman of the Committee, or of any subcommittee, panel, or task force, with the concurrence of the respective Ranking Minority Member, detennines that there is good cause to begin the hearing sooner, or if the Committee, subcommittee, panel, or task force so determines by majority vote, a quorum being present for the transaction of business, such chairman shall make the announcement at the earliest possible date. Any announcement made under this rule shall be promptly published in the Daily Digest, promptly entered into the committee scheduling service of the House Information Resources, and promptly posted to the internet web page maintained by the Committee.

RULE 8. BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

Clause 4 of rule XI of the Rules of the House of Representatives shall apply to the Committee.

RULE 9. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(a) Each hearing and meeting for the transaction of business, including the markup of legislation, conducted by the Committee, or any subcommittee, panel, or task force, to the extent that the respective body is authorized to conduct markups, shall be open to the public except when the Committee, subcommittee, panel, or task force in open session and with a majority being present, determines by record vote that all or part of the remainder of that hearing or meeting on that day shall be in executive session because disclosure of testimony, evidence, or other matters to be considered would endanger the national security, would compromise sensitive law enforcement information, or would violate any law or rule of the House of Representatives. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance no fewer than two members of the Committee, subcommittee, panel, or task

force may vote to close a hearing or meeting for the sole purpose of discussing whether testimony or evidence to be received would endanger the national security, would compromise sensitive law enforcement information, or would violate any law or rule of the House of Representatives. If the decision is to proceed in executive session, the vote must be by record vote and in open session, a majority of the Committee, subcommittee, panel, or task force being present.

(b) Whenever it is asserted by a member of the committee or subcommittee that the evidence or testimony at a hearing may tend to defame, degrade, or incriminate any person, or it is asserted by a witness that the evidence or testimony that the witness would give at a hearing may tend to defame, degrade, or incriminate the witness, notwithstanding the requirements of (a) and the provisions of clause 2(g)(2) of rule XI of the Rules of the House of Representatives, such evidence or testimony shall be presented in executive session, if by a majority vote of those present, there being in attendance no fewer than two members of the Committee or subcommittee, the Committee or subcommittee determines that such evidence may tend to defame, degrade or incriminate any person. A majority of those present, there being in attendance no fewer than two members of the Committee or subcommittee may also vote to close the hearing or meeting for the sole purpose of discussing whether evidence or testimony to be received would tend to defame, degrade or incriminate any person. The Committee or subcommittee shall proceed to receive such testimony in open session only if the Committee or subcommittee, a majority being present, determines that such evidence or testimony will not tend to defame, degrade or incriminate any person.

(c) Notwithstanding the foregoing, and with the approval of the Chairman, each member of the Committee may designate by letter to the Chairman, only one member of that member's personal staff, which may include fellows, with Top Secret security clearance to attend hearings of the Committee, or that member's subcommittee(s), panel(s), or task force(s) (excluding briefings or meetings held under the provisions of committee rule 9(a)), which have been closed under the provisions of rule 9(a) above for national security purposes for the taking of testimony. The attendance of such a staff member or fellow at such hearings is subject to the approval of the Committee, subcommittee, panel, or task force as dictated by national security requirements at that time. The attainment of any required security clearances is the responsibility of individual members of the Committee.

(d) Pursuant to clause 2(g)(2) of rule XI of the Rules of the House of Representatives, no Member, Delegate, or Resident Commissioner may be excluded from nonparticipatory attendance at any hearing of the Committee or a subcommittee, unless the House of Representatives shall by majority vote authorize the Committee or subcommittee, for purposes of a particular series of hearings on a particular article of legislation or on a particular subject of investigation, to close its hearings to Members, Delegates, and the Resident Commissioner by the same procedures designated in this rule for closing hearings to the public.

(e) The Committee or the subcommittee may vote, by the same procedure, to meet in executive session for up to five additional consecutive days of hearings.

RULE 10. QUORUM

(a) For purposes of taking testimony and receiving evidence, two members shall constitute a quorum.

(b) One-third of the members of the Committee or subcommittee shall constitute a quorum for taking any action, with the following exceptions, in which case a majority of the Committee or subcommittee shall constitute a quorum:

(1) Reporting a measure or recommendation;

(2) Closing committee or subcommittee meetings and hearings to the public;

(3) Authorizing the issuance of subpoenas;

(4) Authorizing the use of executive session material; and

(5) Voting to proceed in open session after voting to close to discuss whether evidence or testimony to be received would tend to defame, degrade, or incriminate any person.

(c) No measure or recommendation shall be reported to the House of Representatives unless a majority of the Committee is actually present.

RULE 11. THE FIVE-MINUTE RULE

(a) The time anyone member may address the Committee or subcommittee on any measure or matter under consideration shall not exceed five minutes and then only when the member has been recognized by the Chairman or subcommittee chairman, as appropriate, except that this time limit may be exceeded by unanimous consent. Any member, upon request, shall be recognized for not more than five minutes to address the Committee or subcommittee on behalf of an amendment which the member has offered to any pending bill or resolution. The five-minute limitation shall not apply to the Chairman and Ranking Minority Member of the Committee or subcommittee.

(b)(1) Members who are present at a hearing of the Committee or subcommittee when a hearing is originally convened shall be recognized by the Chairman or subcommittee chairman, as appropriate, in order of seniority. Those members arriving subsequently shall be recognized in order of their arrival. Notwithstanding the foregoing, the Chairman and the Ranking Minority Member will take precedence upon their arrival. In recognizing members to question witnesses in this fashion, the Chairman shall take into consideration the ratio of the Majority to Minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of either party.

(2) The Chairman of the Committee or a subcommittee, with the concurrence of the respective Ranking Minority Member, may depart with the regular order for questioning which is specified in paragraphs (a) and (b) of this rule provided that such a decision is announced prior to the hearing or prior to the opening statements of the witnesses and that any such departure applies equally to the Majority and the Minority.

(c) No person other than a Member, Delegate, or Resident Commissioner of Congress and committee staff may be seated in or behind the dais area during Committee, subcommittee, panel, or task force hearings and meetings.

RULE 12. POWER TO SIT AND ACT; SUBPOENA POWER

(a) For the purpose of carrying out any of its functions and duties under rules X and XI of the Rules of the House of Representatives, the Committee and any subcommittee is authorized (subject to subparagraph (b)(1) of this paragraph):

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold hearings, and

(2) to require by subpoena, or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers and documents, including, but not limited to, those in electronic form, as it considers necessary.

(b) (1) A subpoena may be authorized and issued by the Committee, or any subcommittee with the concurrence of the full Committee Chairman and after consultation with the Ranking Member of the Committee, under subparagraph (a)(2) in the conduct of any investigation, or series of investigations or activities, only when authorized by a majority of the members voting, a majority of the Committee or subcommittee being present. Authorized subpoenas shall be signed only by the Chairman, or by any member designated by the Committee.

(2) Pursuant to clause 2(m) of rule XI of the Rules of the House of Representatives, compliance with any subpoena issued by the Committee or any subcommittee under subparagraph (a)(2) may be enforced only as authorized or directed by the House of Representatives.

RULE 13: WITNESS STATEMENTS

(a) Any prepared statement to be presented by a witness to the Committee or a subcommittee shall be submitted to the Committee or subcommittee at least 48 hours in advance of presentation and shall be distributed to all members of the Committee or subcommittee as soon as practicable but not less than 24 hours in advance of presentation. A copy of any such prepared statement shall also be submitted to the Committee in electronic form. If a prepared statement contains national security information bearing a classification of secret or higher, the statement shall be made available in the Committee rooms to all members of the Committee or subcommittee as soon as practicable but not less than 24 hours in advance of presentation; however, no such statement shall be removed from the Committee offices. The requirement of this rule may be waived by a majority vote of the Committee or subcommittee, a quorum being present. In cases where a witness does not submit a statement by the time required under this rule, the Chairman of the Committee or subcommittee, as appropriate, with the concurrence of the respective Ranking Minority Member, may elect to exclude the witness from the hearing.

(b) The Committee and each subcommittee shall require each witness who is to appear before it to file with the Committee in advance of his or her appearance a written statement of the proposed testimony and to limit the oral presentation at such appearance to a brief summary of the submitted written statement.

RULE 14. ADMINISTERING OATHS TO WITNESSES

(a) The Chairman, or any member designated by the Chairman, may administer oaths to any witness.

(b) Witnesses, when sworn, shall subscribe to the following oath: ''Do you solemnly swear (or affirm) that the testimony you will give before this Committee (or subcommittee) in the matters now under consideration will be the truth, the whole truth, and nothing but the truth, so help you God?''.

RULE 15. QUESTIONING OF WITNESSES

(a) When a witness is before the Committee or a subcommittee, members of the Committee or subcommittee may put questions to the witness only when recognized by the Chairman or subcommittee chairman, as appropriate, for that purpose according to Rule 11 of the Committee.

(b) Members of the Committee or subcommittee who so desire shall have not more than five minutes to question each witness or panel of witnesses, the responses of the witness or witnesses being included in the

five-minute period, until such time as each member has had an opportunity to question each witness or panel of witnesses. Thereafter, additional rounds for questioning witnesses by members are within the discretion of the Chairman or subcommittee chairman, as appropriate.

(c) Questions put to witnesses before the Committee or subcommittee shall be pertinent to the measure or matter that may be before the Committee or subcommittee for consideration.

RULE 16. PUBLICATION OF COMMITTEE HEARINGS AND MARKUPS

The transcripts of those hearings and mark-ups conducted by the Committee, subcommittee, or panel will be published officially in verbatim form, with the material requested for the record inserted at that place requested, or at the end of the record, as appropriate. Any requests to correct any errors, other than those in transcription, or disputed errors in transcription, will be appended to the record, and the appropriate place where the change is requested will be footnoted. Any transcript published under this rule shall include the results of record votes conducted in the session covered by the transcript and shall also include materials that have been submitted for the record and are covered under Rule 19. The handling and safekeeping of these materials shall fully satisfy the requirements of Rule 20. No transcript of an executive session conducted under Rule 9 shall be published under this rule.

RULE 17. VOTING AND ROLLCALLS

(a) Voting on a measure or matter may be by record vote, division vote, voice vote, or unanimous consent.

(b) A record vote shall be ordered upon the request of one-fifth of those members present.

(c) No vote by any member of the Committee or a subcommittee with respect to any measure or matter shall be cast by proxy.

(d) In the event of a vote or votes, when a member is in attendance at any other committee, subcommittee, or conference committee meeting during that time, the necessary absence of that member shall be so noted in the record vote record, upon timely notification to the Chairman by that member.

(e) The Chairman of the Committee or a subcommittee, as appropriate, with the concurrence of the Ranking Minority Member or the most senior Minority member who is present at the time, may elect to postpone requested record votes until such time or point at a mark-up as is mutually decided. When proceedings resume on a postponed question, notwithstanding any intervening order for the previous question, the underlying proposition shall remain subject to further debate or amendment to the same extent as when the question was postponed.

RULE 18. COMMITTEE REPORTS

(a) If, at the time of approval of any measure or matter by the Committee, any member of the Committee gives timely notice of intention to file supplemental, Minority, additional or dissenting views, that member shall be entitled to not less than two calendar days (excluding Saturdays, Sundays, and legal holidays except when the House is in session on such days) in which to file such views, in writing and signed by that member, with the staff director of the Committee. All such views so filed by one or more members of the Committee shall be included within, and shall be a part of, the report filed by the Committee with respect to that measure or matter.

(b) With respect to each record vote on a motion to report any measure or matter, and on any amendment offered to the measure or matter, the total number of votes cast for and against, the names of those voting for and against, and a brief description of the question, shall be included in the committee report on the measure or matter.

RULE 19. PUBLIC INSPECTION OF COMMITTEE ROLLCALLS

The result of each record vote in any meeting of the Committee shall be made available by the Committee for inspection by the public at reasonable times in the offices of the Committee. Information so available for public inspection shall include a description of the amendment, motion, order, or other proposition and the name of each member voting for and each member voting against such amendment, motion, order, or proposition and the names of those members present but not voting.

RULE 20. PROTECTION OF NATIONAL SECURITY INFORMATION

(a) Except as provided in clause 2(g) of Rule XI of the Rules of the House of Representatives, all national security information bearing a classification of secret or higher which has been received by the Committee or a subcommittee shall be deemed to have been received in executive session and shall be given appropriate safekeeping.

(b) The Chairman of the Committee shall, with the approval of a majority of the Committee, establish such procedures as in his judgment may be necessary to prevent the unauthorized disclosure of any national security information received classified as secret or higher. Such procedures shall, however, ensure access to this information by any member of the Committee or any other Member, Delegate, or Resident Commissioner of the House of Representatives, staff of the Committee, or staff designated under Rule 9(c) who have the appropriate security clearances and the need to know, who has requested the opportunity to review such material.

RULE 21. COMMITTEE STAFFING

The staffing of the Committee, the standing subcommittees, and any panel or task force designated by the Chairman or chairmen of the subcommittees shall be subject to the rules of the House of Representatives.

RULE 22. COMMITTEE RECORDS

The records of the Committee at the National Archives and Records Administration shall be made available for public use in accordance with rule VII of the Rules of the House of Representatives. The Chairman shall notify the Ranking Minority Member of any decision, pursuant to clause 3(b)(3) or clause 4(b) of rule VII, to withhold a record otherwise available, and the matter shall be presented to the Committee for a determination on the written request of any member of the Committee.

RULE 23. HEARING PROCEDURES

Clause 2(k) of rule XI of the Rules of the House of Representatives shall apply to the Committee.

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Florida (Mr. MEEK) is recognized for half the time remaining before 5 p.m. as the designee of the majority leader.

Mr. MEEK of Florida. Mr. Speaker, it is an honor to address the House, and I can share with you on this day of the State of the Union we all look forward to hearing what the President/Commander in Chief has to share not only with the country but the world, and we hope that he will bring words of wisdom and unity to the House floor. This will be the President's seventh opportunity coming to the floor to share with us the needs of the Nation. And I hope that he speaks on behalf of the entire Nation.

As you know, the 30-Something Working Group has been coming to the floor for the last 3 years sharing with the Members about what was going on under the Capitol dome and what wasn't going on under the Capitol dome. And we come today in the spirit of bipartisanship, Mr. Speaker, and I would also like to continue to highlight bipartisanship, because that is what the American people have called for and that is what we have delivered.

And when I say ''we,'' I am saying a majority of the Members of the House of Representatives, and you can sprinkle in some Republican votes in achieving that. And I am glad that on a number of votes as relates to the Medicare prescription drug price negotiating, all Democrats on the floor voted for that, 24 Republicans voted for it, too. They voted with their constituents.

The Stem Cell Research Enhancement Act, just about all the Democrats on the floor voting on behalf, 216 with 37 Republicans joining us on that vote, it was 253, which is a good majority of the House voting in the affirmative. That is bipartisan.

The Fair Minimum Wage Act, Mr. Speaker, that passed on January 10, which was a recorded vote, there were 315 yeas in the affirmative, all Democrats on the floor at that time voted for it, 82 Republicans joined Democrats in voting on that bill together, Mr. Speaker.

Again, in the implementation of the 9/11 Commission recommendations, which we all know, Mr. Speaker, was a bipartisan piece of work by individuals that were appointed by the President, the leadership, and the House and Senate at that time, with two bipartisan chairmen, one Republican and the vice chair was Democrat, all Democrats on the floor voted, 231, and 68 Republicans. That brought that vote to 299.

I think it is important, Mr. Speaker, as we continue to move on and as we look at the student loan vote, as we look at a number of the votes that have come here to the floor, a great vote today as relates to pensions for those that step out of the line, Members of the House that step out of line and Members of the Senate, that their pensions will be on the line. Not one vote against that measure.

In that spirit, I know, on behalf of the Democratic side of the aisle, the Speaker, majority leader, Democratic whip, the chairman of our caucus, the vice chair of our caucus, and other elected leadership within the Democratic Caucus are looking to continue this bipartisan spirit that we have adopted here.

As you know, in the 109th Congress, Mr. Speaker, I used to always share with the Members that bipartisanship is only allowed if the majority allows it. I think that on some issues we will see issues where we won't be able to see eye to eye and there will be some partisan votes on this floor. That is just the reality of life here in Washington, D.C., but it should not be the rule. It should be the exception. And I want to commend all of those Members that are moving in a bipartisan spirit.

Now, I must say the winds of bipartisanship are here on the floor. I am sad to report that on many of those votes the Republican leadership did not vote with the majority of the U.S. House of Representatives, including Republicans that did vote on those measures. I say this to promote a bipartisan spirit here when the State of the Union, when the President comes in and gives his speech tonight; when he comes to speak to the American people in the U.S. House, the U.S. Congress, Judiciary, all branches of the military that will be represented here tonight, Cabinet officers that will be represented here tonight, hopefully deliver a message that we can move forward as a unit, as all Americans, so something we can all grasp.

□ 1515

I think it is important to move in that direction.

Now, on our side of many of these issues, when I say ''our side,'' I am saying the Democratic side where we have talked about six in 2006, where Republicans have joined us in those efforts because they wanted to vote for it all along but their leadership would not allow them to do that. We want to continue. We want to lead by example. We want the American people to know that we are leading on behalf of the country, not just one side versus the other. We do not want to create that kind of environment; but when it has to take place, it has to take place.

Tonight, Senator WEBB, Virginia, will be delivering the Democratic response to the President, and I think it is important if we can see eye to eye on a policy in Iraq because right now, as you know, a number of the Senators on the other side of the Capitol dome have disagreed with the surge policy or with the escalation of troops policy that we have now that the President has stepped forward with. Many Members of the House on both sides of the aisle disagree with that policy.

As you know, Mr. Speaker, a number of Americans spoke not only to Democratic candidates but to Republican candidates about a solution in Iraq versus just identifying a problem and continuing to add on to the unfortunate situation of U.S. troops losing their lives in Iraq.

I think it is also important for us to know that for us to work in a bipartisan way the President cannot continue to say, just because I have the power to deploy troops along with my advisers that I am going to do it. I think a level of responsibility has to kick in.

Mr. Speaker, I was talking to a group earlier today, and I shared with them that the watch word for the 110th Congress should be ''responsibility,'' responsibility on both sides of the aisle to make sure that we can fight our way out of the record deficit that we have now and to be able to stick with our pay-as-we-go rules that we put in place; to make sure that we govern on behalf of all the American people need it be young or old, rich or poor; that we govern on behalf of Americans and not on behalf of the special interests; and to make sure that our children's children and we have safe, clean water, air to breath; and that we can provide health care.

Now, saying all of that, it cannot be my way or the highway. Mr. Speaker, the President has put forth a commission to look at Social Security more than two times, and at the end of all of those commissions, the President has come back and said we need to privatize Social Security. That is a my-way-or-highway approach to governing.

I think it is important that the President come to this floor tonight and the Congress respond in a way that we can work together, we can work together to make America better. We can work together to make sure that our troops in Iraq, hopefully more sooner than later, can be redeployed, and that we can call not only on the Iraqi Government but other countries throughout the world to take part in the security of that region. As long as we continue to have an escalation in troops without any questions asked, we are going to have problems.

Now, I am glad to be joined here by my good colleague and friend from the great State of Ohio, Niles, Ohio, and we have spent many an hour on the floor here talking about these issues, but I was sharing with the Speaker and with the Members the fact when the President comes here tonight that it is important that it is a message that all Americans can embrace, that we deal with the serious issues so that we can get on with the work of the American people, because shortly after he gives his speech, he is going to send his budget to Capitol Hill, and that is going to have a lot to do with the way this Congress is going to function in this first session of the 110th Congress.

Hopefully, we will be able to pass a budget that will work on behalf of the American people, but it cannot be a my-way-or-the-highway kind of approach that it has been in the past. That did not work well, even when his party had the majority here in the Congress. Imagine what will happen, and they do have the minority in this Congress.

But we are willing, Mr. Speaker, to work in a bipartisan way to make sure we can get something done. I think that is very, very important. I think that is what the American people are asking for, and I yield to my friend.

Mr. RYAN of Ohio. Mr. Speaker, I appreciate how the gentleman has been focused on bipartisanship over the past several weeks since we have been here.

I agree with my friend from Florida on several issues. Just to go back a few seconds, to talk about what is going on in Iraq and what really the President's plan has been, and I think it is important that we remove this from any kind of partisanship.

As we have shown in the past couple weeks here, I mean, the votes that we have passed here have consistently been passed in a bipartisan way. Minimum wage, student loans, Medicare and negotiations, all of these have been passed in a bipartisan way. So the tone that Speaker PELOSI has set in this House has been a tone of bipartisanship.

The concern that we have in Iraq at this point with the troop surge is that this President does not have the support of the American people. He does not have the support of the Democratic Party. He is losing support among the Republican Party, and the former Chair of the Senate Committee on Armed Services, JOHN WARNER, has now come out against the President's proposal. The military, for the most part, is against this proposal. It seems like almost everyone who was in the Bush administration who had been in the military under this Commander in Chief and has left is now against what the President is saying. The Iraqi leadership is against it.

The only people who are for this is the administration, and I think it is important for us to recognize that we need to get out in a way that makes sure that we retain our dignity and that we redeploy. No one's talking about cutting and running, but redeploy in a responsible way and getting our kids out of harm's way, because this has been botched from the get-go.

But I think it is important, and I appreciate you consistently focusing. We have talked for 3½ or 4 years about if we get in charge we are going to do it in a bipartisan way, and we have been able to maintain that over the past couple of weeks, and I think it is important that we continue to go down that road.

If you look at, and I do not want to talk too long because I know my friend has an interest in joining, I want to look at the, Mr. Speaker, first 100 hours, at what we have been able to.

Okay. This has kind of gone in two different directions. Pass the minimum wage, reduce student loan interest rates, cut them in half, and allow the Secretary of Health and Human Services to negotiate down drug prices. So if you are an average family, those are three major steps forward where you are going to make more money, if you have a minimum-wage worker, where you have less student loans to pay because the interest rate is going to be cut in half, and the prescription drug prices that your parents and grandparents are paying will be a lot less. So

that is going to be significant savings in the short term.

But now we have our long-term program, and if you look at where the Democratic Party and Speaker PELOSI is pushing our agenda, we have investments into stem cell research, which is something that we passed in this Chamber just a few days ago, that we are going to invest into this new and great and vibrant industry and new sector of our economy that is not only going to reap tremendous health care benefits for our citizens but also provide jobs for our scientists and our researchers and funding the research and development and partnering with private sector people.

That is going to create an economic boom in the United States of America because once we pass it, if we can get it past the President, that is going to be a heck of a move on our part. I think it is going to be great for the American people, and it is going to be great for the next generation of people coming out of college and coming out of medical school and getting their Ph.D.s. We are going to have a whole other sector of the economy.

In addition to the repealing of the corporate welfare, which I know you had talked a lot about on this floor the past couple of years, repealing the corporate welfare that we gave to the oil companies and the energy companies and putting that money into research for alternative energy sources, creating and pushing a whole other sector of our economy so that we do not depend on the Middle East for our energy, we got it right in the Midwest in the United States of America.

So we are stabilizing. We are taking care of people today. We are giving the American people a pay raise, cutting student loan interest rates in half, reducing the cost of prescription drugs now, and then in the future moving into these two major growth areas of alternative energy and stem cell research and into the health care industry.

I think Leader PELOSI and Mr. HOYER and Mr. CLYBURN and Mr. LARSON and Mr. EMANUEL have all set an agenda for the Democrats in the House to do some good in the short term and then to open up these other areas of the economy in the long term.

So with that I would be happy to yield back to my good friend, my dear friend from Florida (Mr. MEEK).

Mr. MEEK of Florida. Well, I think it is important that we have a real discussion back and forth on this very issue.

We talked about the President coming to the floor and hopefully bringing about and, well, promoting bipartisanship, coming to the floor and saying there are some good things that have happened here; you know, hey recognize the historical moment of having the first female Speaker in the history of the country; but secondly, dealing with some of the major issues.

I understand, Mr. Speaker, in his speech on Iraq he is going to say what he says and says he sent the escalation troops. He is going to stick with it or my way or the highway. It is the wrong approach and it is going to inflame the American people and Members of Congress on both sides of the aisle.

Also, I would like to say, even when it comes down to the issue of the minimum wage, I know that the President has said, well, you know, I like the minimum wage but there are some things that I would like to do. That is fine, but as far as I am concerned, when it comes down to the bill, signing it, he needs to be overjoyed to sign it because that is what the American people want. It is not just Democrats. I mean, the American people want to see folks that are making $5.15 an hour to make $7.15 or greater because when they make more, the American people make more, salaried workers, because their pay is going to go up.

I see Mr. RYAN has something there he is going to go a little further into it. Stem cell research, folks may have issues here and there, but the bottom line is the American people have spoken in many of these Senate races and many of these House races, and they have spoken because they want their loved ones to have a better chance in beating some of the terminal cancer that is out there right now and diseases that so many Americans are suffering through and their family members are trying to fight through those issues.

The bipartisan 9/11 Commission, Mr. Speaker, why fight on the commas and the periods saying that, well, we believe that we are already doing that. Well, apparently you must not be doing it because the 9/11 Commission has given you Ds and Fs in those areas that you say that you are already doing it.

So not just because we got to the cafeteria first we get an opportunity at the only oatmeal cookie that is left. It is the fact that we have to secure America. This goes beyond I thought of this first or I thought of this second.

The American people said they want the full implementation of the 9/11 Commission, and that is what we gave them. The majority vote here in this House and will be a majority vote in the Senate and will have the opportunity to go to the White House and hopefully the President will implement those recommendations, it is to make America safer. It is not because it was not your original thought to do it, and I am hoping that he comes to the floor and embraces that on behalf of all of our safety.

I do not think that I need to advise the President in any way, but I think that on behalf of all of us, if we are going to continue the spirit that we have started and bipartisanship and having the least friction as possible, especially on issues that we should not even be debating on, the issues that I have outlined, they are not even issues that are brand-new issues. These are issues that have been talked about in committee, talked about it in commissions, even as it relates to campaigns to get to Congress.

The issue of the investment on Big Oil, the billions of dollars in subsidies, and now we have reversed and put them in the clean, renewable energy, that should not even be a debate.

□ 1530

It should not even be, well, I agree with it or I don't agree with it. You should agree with it, because we need it more now than ever.

One of the big issues now, Mr. RYAN, when it all boils down to redeployment of our troops in Iraq, all of this is a vicious circle of irresponsibility in the past, or a lack of responsibility, and making sure that we are able to carry out not only diplomatic responsibility, but legislative responsibility and oversight.

I think the reason we have had the escalation in troops, Mr. RYAN, is prior to the lights being illuminated or the committee rooms being illuminated to have hearings on what we should do in Iraq, how we should work in a diplomatic way in Iraq, what kind of leadership should we have in Iraq, now that is happening with the confirmation of a new general to take over the command in Iraq.

I think it is important, Mr. RYAN, that we move in the direction that we have been moving in, and that is in a bipartisan direction, that is in a direction that the supermajority of American people agree with. Let's get those things off the table. Let's start fine-tuning these issues of six in '06. I think some of the Republican leadership just has issues with the fact it is part of six in '06 and ''we have to be against it, because we didn't do it when we had the opportunity to do it.''

I can care less about what happened in the last Congress. I do care about what is happening in this Congress, Mr. RYAN, and what is happening in the future Congresses. Because when folks woke up at 7 o'clock in the morning on a Tuesday morning and voted for representation, they voted for leadership, they voted for bipartisanship, they voted for a Washington, D.C., especially under the Capitol dome, Americans coming together, because we are all Americans, coming together on behalf of the greater good.

That is what they are counting on. That is what we should give them. The majority of the Members of the House should give that to them. When I am speaking of the majority members of the House, I am talking about Republicans too. I am talking about all of us coming together on their behalf.

So, to hear these issues tonight, it is going to be very, very important. The President has a choice. If he wants to come to the floor, Mr. Speaker, and continue to give the same speech that he has been giving in the past, it will be very, very unfortunate. But if he comes to the floor tonight talking about how he would like to work with the Democratic Congress and work with the Democratic leadership and the Republican leadership, and the same

thing over in the House and the Senate, work in a bipartisan way, if he used the words ''bipartisan Congress,'' I think he will be more successful in passing legislation that we can all come together on and that we do have an input in it, because we will have input in it, and we should not dig in and deny the American people of this great opportunity, Members, to see advancement in health care, to see some advancement in the issue of Iraq and Afghanistan at the same time, and to see some level of advancement in having clean air for our children and renewable fuel here in America, investing in the Midwest versus the Middle East.

I yield to my friend from Ohio.

Mr. RYAN of Ohio. Well, I appreciate that. This is something you mentioned about being bipartisan and working in a bipartisan way. I think what has happened here has been very successful, and I think this kind of illustrates it.

A couple of the things that the Democratic leadership and the Democratic Caucus, with some help from the Republicans on the other side, have been very successful. This is what has happened just in the first 100 hours, should this all become law.

You look at the minimum wage being raised. It means $4,400 a year for the average minimum wage worker. So over the next 5 years, the average person will make another $22,000 because of what happened here in this Chamber, led by Speaker PELOSI in a bipartisan way with a handful of Republicans who were able to do that, 80 or 90, I think.

College loan interest rates cut over 5 years will save about $1,473. Total earnings and savings for a family over 5 years will be $23,473.

This is bread and butter stuff. This is what will be implemented if we can get it through the other side and signed by the President. This is good stuff. This is what we can do in a bipartisan way.

So, I think this kind of stuff is important to move the country forward. When we do that, I think we open up a lot of opportunities for a lot of people around the country, and really around the world, because of the opportunity that we would provide here. This is the kind of bipartisan agenda that we want to continue with.

We are joined hereby a rising star already making a name for himself down here in Congress, our good friend from Connecticut, Mr. MURPHY.

Mr. MURPHY of Connecticut. Thank you, Mr. RYAN. I am only making a name for myself by associating myself with the works and deeds of Mr. MEEK and Mr. RYAN.

You are exactly right. As you know, I am able to join you here as a second time as a new Member of this Congress.

What we were charged with doing was really taking back this House and this place for people who are struggling every day to make ends meet. The cost of tuition since 2001 has gone up 41 percent, while we know wages have essentially remained stagnant, the minimum wage staying exactly where it has been for the last 2 years, while the cost of everything from food to school to gas goes up exponentially.

What we are doing here, piece by piece, is really restoring that American dream, that idea your kids might be able to do better than you, that your grandkids are going to live in a world with a greater quality of life than you were able to live in. The first 100 hours were about doing that, and, as I know you both have remarked, doing it in a bipartisan way, doing it in a way in which the votes that came before in the first 2 weeks drew an average of 60 Republican votes.

As Mr. MEEK was saying as I walked into the Chamber, I think the President tonight will find a very receptive Democratic side of the aisle if he seeks to embrace that same type of middle-class/working-class agenda that we have made really the central feature of this place for the last 2 weeks.

Mr. RYAN, if I might, I wanted to talk just for a moment about health care, because we are going to hear something from the President that, unfortunately, we have heard for the last several years. We have heard that the President wants to focus on the rising costs of health care, the trouble that middle-class families are finding in trying to find insurance.

It is about time on the issue of health care that this administration starts to meet words with action. We have seen a lot of verbal compassion, but we haven't seen a lot of meaningful reform from this administration, as the profits being made by those who would make money off of this health care system are in record numbers today. We are seeing on the other side record numbers of families falling into the ranks the uninsured.

Tonight we are going to hear a proposal that will essentially lop off families who are receiving good insurance and put them into the ranks of those families that have very bad insurance or are underinsured. Essentially the President is going to propose tonight to make health care cheaper and worse, whereas the Democrats, we know we can find a way to make health care cheaper and better.

I simply look forward, Mr. RYAN, to engaging the President on that debate and trying to convert he and his administration to the new-found wisdom we found in this Chamber to put middle-class families rather than those lobbyists and corporate interests first.

Mr. RYAN of Ohio. Mr. Speaker, I thank the gentleman for his remarks. The President only has a couple years left, Mr. Speaker, and I hope he really uses this as an opportunity to try to reengage Congress and reengage the American people and have some bold initiatives too. And not just the rhetoric. Because we went through and our staffs went true and were comparing everything that the President had said in previous State of the Union addresses and then what the reality is, and you can pick an issue, and we will give you the Web site and you can go and check it all out. So a very skeptical Congress will be here listening tonight.

But I hope in regards to health care that we can really focus. Of course, we want everyone covered. But if you think about it, we actually have a universe health care system right now, but it is just run through emergency rooms. It is run in the most inefficient, ineffective way that you could possibly set up a health care system. So it is really not even a system, but it is just health care kind of.

What we need to do is try to get some of this investment on the front end, make sure our kids through SCHIP have access to health care, and that we are reaching out and communicating and pulling in people who may qualify for some of these programs but don't actually sign up for them. What is the outreach going to be? Because as we are competing a global economy, as we have talked 1 million times on this floor, we only have 300 million people in the United States of America. We are now competing against China, who has 1.3 billion, India who has a billion, and everyone else on the globe. We only have 300 million.

So we have to make our best efforts count, because we need all 300 million on the field playing for us, especially these young kids who are coming up through the ranks. That is why I think it is important when we are talking about the minimum wage and we are talking about making sure that student loan rates are cut in half so we can have more kids go to college, and then we pass the stem cell bill, so we are creating not only a compassionate kind of research that is going to go on and save people's lives and improve their quality of life, but that is creating jobs in a whole new sector of the economy that right now we are not doing exactly what we should be doing.

Then we also repeal the corporate welfare and we take the 13 or 14 billion and we are going to pump that into alternative energy, create a whole other sector for alternative energy sources.

So you put all this stuff together that we are able to do that, that is bold leadership. These are the kind of initiatives that we really need in the country, and Speaker PELOSI has provided us with that leadership.

So I hope in regards to health care, we get some bold tax credits. How about a bold program where all Americans are going to be covered and where we are going to put the money, instead of managed disease, prevent diseases from happening and investing in these young people so that they are healthy, educated and then create opportunity for us.

Mr. MEEK of Florida. I think it is very important, Mr. RYAN, to really talk about many of the issues that are facing the right here, right now Congress, right here, right now. Not, well, what we would like to do pie-in-the-sky. Something realistic.

Mr. MURPHY, I can tell you that it is very important that when we look at the issue of Iraq, that we have a real discussion. The President is going in the opposite direction of the American people at this point. I mean, in November, that is what happened. The President is moving in this direction, the American people are going in the opposite direction. He could be going this way, they are going that way. I mean, it is just that simple.

I don't know who the advisers are in the White House or what have you, but when you have generals that have been in the field at the double digit numbers saying that we are headed in the wrong direction as it relates to the strategy that the administration has, you have Colin Powell. Goodness gracious, the Secretary of State, the former I guess two Joint Chiefs of Staff, the head of the military, to say an escalation in troops in a civil war is a wrong thing to do.

We have been saying in November and even now saying that the principal mission of our forces should be training of the Iraqi troops. Now, that is ''we are going to start training.''

Well, we have been saying that from the beginning. That is a strategy to redeploy hopefully one day. Not ''we will work it out sometime in the near future.'' The issue of the logistics and force protection and counterterrorism activities, those are the things that we should be involved in versus patrolling the streets of Baghdad. Patrolling the streets of Mosul. That should be the Iraqi force's responsibility right now.

The beginning of phase, to be able to redeploy our troops, that has to happen. We have military bases, Mr. RYAN, we have been there. We have military bases that are the size of some U.S. cities in Iraq where troops can be trained, Iraqi troops can be trained, along with getting some of our allies to take part in that.

So for us to have what we talk about so much here on this floor, a bipartisan approach towards some of these major, major issues, we are going to have to move in that direction.

To try to make tax cuts permanent for the super wealthy, that is the opposite direction as it relates to being able to provide some sort of relief for the middle-class and small businesses in this country. We have already said, Mr. MURPHY, that we are going to operate in a pay-as-you-go atmosphere. What does that mean? Mr. RYAN, you know how over the years we have said we want to break this down, Mr. MURPHY, so that everyone can understand what we are talking about.

That means if you are going to pay for something, if you are going to spend money, then you have to show how you are going to pay for it. Not just saying a chicken in the pot for everyone. Well, how much does it cost? That is not important, because we will just ask our country, we will just ask Japan, China, the U.K., the Caribbean, Taiwan, Korea, Canada and Germany and OPEC nations to pay that for us and we will just owe them. We don't have to pay it any time soon, but we will owe them. We will be indebted to countries even to countries that we have been with war with in the past.

□ 1545

Mr. RYAN of Ohio. I appreciate that, because that is exactly what happens is you don't have the money, there was no pay-as-you-go in the last several Congresses, runaway spending, borrowing money from China. What does that mean? Well, here is our budget priorities for 2007 prior to Democrats taking office, budget into the billions of dollars. This red bar here is just interest on the money that we borrowed. This is not paying it down; this is just paying the interest on it. You know, you get your mortgage and you get your car loan and you open it up and you have got a 5 or $600 payment. You see $300 of it is actually going to the payment and the other stuff is interest, and it breaks your heart.

This is what the country is doing. But compare that to what we are doing, this is education, homeland security and veterans. This is going back to China; this is going back to some of those other countries.

And then you look and you see China says the test they did in space does not signal an intent to militarize space. You can't get the real facts on China's military budget, but they are buying a ton more ships. That is where that money is going.

I think it is important to make that point because it is not just money that just goes and floats out and the Federal Reserve tries to find it somewhere. It is going to China, it is going to the Middle East, it is going to OPEC countries.

And then we are funding both sides of the war on terror because we are buying all the oil, making them money. It gets back to the terrorists. And then we have a war in the Middle East and we pass almost $500 billion already that we are spending from our side already on the war in Iraq.

Mr. MEEK of Florida. I am going to yield to my friend from Connecticut here in one second. Great point. I am glad that you put a period at the end of that dot.

Mr. RYAN of Ohio. That is why we are friends, stuff like that.

Mr. MEEK of Florida. Thank you, Mr. RYAN.

The real issue here is, gentlemen, even before I have an opportunity to get a copy of the President's speech, Mr. Speaker, and even before our great Sergeant at Arms stands there and says, Madam Speaker, for the first time in the history of the country, the President of the United States, even before that happens, I guarantee you, gentlemen, that this health care proposal that the President has is going to end up being to the American middle-class taxpayer, a person that wants health care, money out of this pocket, taking money out of this pocket and putting it hopefully in the other, with some coming out to pay for it.

There will be no real program that will benefit the middle class in achieving health care. It would have to almost be, Mr. Speaker, an atmosphere to where for a person to get a true benefit, they would probably have to go out and get a tax attorney to understand their opportunities, their lucky-ducky opportunities that we hear so much about here on Capitol Hill.

I think it is important, Members, that we break this thing down before we leave Washington this week to make sure the American people know exactly the direction that the administration wants this Congress to move in, because there has to be a discussion. And it has to be open-ended, Mr. MURPHY. He needs to say, Listen, I have this health care initiative; I would love to have a discussion with the Congress on how we can make this possible for the American people.

Now, I can tell you right now, the superwealthy have an advocate in the administration in making their tax cuts permanent; I am talking about the superwealthy. I am talking about the folks who are not worried about if they are going to be able to get health care. They already have it.

We are talking about those 47 million Americans that are stuck right now, and the thousands of small businesses that once provided a level of health care; but let's not make it so technical so that only a few can benefit. Some of the earned income tax credits are not taken advantage of, Members, because when you are punching in and punching out every day and you have to go pick up your kids, and if you have got to take them to the doctor, you are making a career decision, that is the reason why the emergency room is so convenient because the boss person doesn't want to let that working parent or parents off to be able to take care of his health care needs.

So this is a huge issue. But at the same time, I think it is important, Members, that we keep in the frame here this issue of Iraq. It has to continue to surface; we have to deal with it; and the American people are counting on us to provide leadership.

I yield to the gentleman from Connecticut.

Mr. MURPHY of Connecticut. I thank Mr. MEEK.

There are already reports that the words we may get tonight are going to give a little short shrift to the issue of Iraq. If the President wants to put forth a plan that is so unpopular that it is not backed by his own military leaders, it is not backed by our civilian foreign policy expert, it is not backed by the American public, well, then he should also have the courage to talk about it, to defend it, to put it before us. But knowing that it is unpopular, we may not hear too much about it tonight.

To get back to, Mr. MEEK, your point on health care, let us be honest about

what is going to be proposed tonight, how we are going to save money on health care. It is not by investing more in prevention; it is not by moving people out of emergency rooms and putting them into real programs and care. It is taking people who have good insurance and making their good insurance bad insurance. It is going out and taking folks who have had the great benefit of working for an employer that provides a comprehensive package of benefits, and it is becoming less and less likely these days that even good employers out there can afford to give a robust package of benefits.

What the President is going to propose today is that for families that have had the good fortune to find a good insurance plan, they are going to tax that employer. They are going to make it less likely that you are going to get good insurance anymore. So we are going to get a proposal today which is going to actually result in worse health care for a lot of families.

I guess the point here is that, you know, again, if we are going to listen to the words that come from this administration, we heard in last year's State of the Union that we need to confront the rising cost of care, strengthen the doctor/patient relationship and help people afford the insurance coverage we need, if we want to talk about that, then we need to do something about that. And how we do something about that is not by taking the haves and putting them into the column of the have-nots. It is by keeping the haves where they are on health care and taking the have-nots and giving them that same level of health care.

We can absolutely do that without adding cost to the system, because those have-nots, as Mr. RYAN said, end up getting care. They just end up getting the most expensive, the most unfortunate type of care, that being crisis care. We can do a better job on that.

And, Mr. MEEK, as you said, we can make sure that we continue to have that discussion on Iraq, which may be missing tonight.

Mr. RYAN of Ohio. One of the issues, you know, the more you talk, the more you see how all this just really ties together. This is health care costs and tying in a way to the minimum wage. The average family health care premium in 2005 was $10,880; and the salary of a full-time year-round minimum-wage worker was less than that, $10,700. So you will work as a minimum-wage worker 40 hours a week for an entire year and not even be able to pay for your full health care bill.

Now, in the United States of America, there is something wrong with that. There is something wrong with the wage of the minimum-wage worker, and there is obviously something wrong with the cost of health care in the United States because of this kind of backward system that we now have that just basically treats diseases and is not focusing probably like it should in preventing a lot of these things from happening.

And I think the more we reach out through the SCHIP program to make sure that these families who are qualified for children's health care know that they are qualified, to get them signed up, because at the end of the day it is the right thing to do, it is the compassionate thing to do, but at the end of the day it is going to save everybody a lot more money, too.

If we can get these kids at a young age and make sure they are treated, evaluated, they know the direction that they are going in, they know the medical history of both parents so that they can be treated accordingly.

I appreciate what you are saying and I appreciate you bringing up the issue of health care.

I know we are running down here; the clock is ticking, Mr. MEEK. I would be happy to yield to you in order to get us down the road here of wrapping things up. I appreciate all the comments that have been made here, and I appreciate our young friend being here with us, who is probably older than me.

I yield to our fearless leader from Florida.

Mr. MEEK of Florida. Mr. Speaker, I think in light of bipartisanship, I know we split the hour, and I see my colleague on the Republican side is already here, in the light of bipartisanship, we will yield back our 10 minutes that we have left on our time to get off on a good note here.

Mr. RYAN of Ohio. Mr. Speaker, for any Members who want to, also to their constituents, if they want to look at some of these charts we have, www.speaker.gov/30something, get on the Web site, send us an e-mail at 30somethingdems@mail.house.gov, you will get a chance to look at all these charts.

I appreciate our friend from Connecticut joining us. I look forward to our President's speech tonight and hope it is inspiring and filled with good information and good public policy that we can work on in a bipartisan way.

ELECTION OF MEMBERS TO CERTAIN STANDING COMMITTEES OF THE HOUSE

Mr. RYAN of Ohio (during the Special Order of Mr. MEEK of Florida). Mr. Speaker, by direction of the Democratic Caucus, I offer a privileged resolution (H. Res. 85) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 85

Resolved, That the following named Members be and are hereby elected to the following standing committees of the House of Representatives:

(1) COMMITTEE ON FINANCIAL SERVICES.—Mr. Wexler (to rank immediately after Mr. Donnelly).

(2) COMMITTEE ON THE JUDICIARY.—Ms. Wasserman Schultz (to rank immediately after Mr. Davis of Alabama).

(3) COMMITTEE ON SCIENCE AND TECHNOLOGY.—Mr. Kanjorski (to rank immediately after Mr. McNerney), Ms. Hooley (to rank immediately after Mr. Kanjorski).

(4) COMMITTEE ON SMALL BUSINESS.—Ms. Millender-McDonald, Mr. Jefferson, Mr. Shuler, Mr. Gonzalez, Mr. Larsen of Washington, Mr. Grijalva, Mr. Michaud, Ms. Bean, Mr. Cuellar, Mr. Lipinski, Ms. Moore of Wisconsin, Mr. Altmire, Mr. Braley of Iowa, Ms. Clarke, Mr. Ellsworth, Mr. Johnson of Georgia, Mr. Sestak.

Mr. RYAN of Ohio (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the RECORD.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H. RES. 78, PERMITTING DELEGATES AND THE RESIDENT COMMISSIONER TO CAST VOTES IN THE COMMITTEE OF THE WHOLE

Ms. SLAUGHTER (during the Special Order of Mr. MEEK of Florida), from the Committee on Rules, submitted a privileged report (Rept. No. 110–3) on the resolution (H. Res. 86) providing for consideration of the resolution (H. Res. 78) amending the Rules of the House of Representatives to permit Delegates and the Resident Commissioner to the Congress to cast votes in the Committee of the Whole House on the state of the Union, which was referred to the House Calendar and ordered to be printed.

REPUBLICAN PERSPECTIVE ON 110TH CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentlewoman from Tennessee (Mrs. BLACKBURN) is recognized for 60 minutes as the designee of the minority leader.

Mrs. BLACKBURN. I thank the gentlemen for yielding their time back and doing it in the spirit of bipartisanship.

Mr. Speaker, I hope that now that the 100 hours is out of the way and we are to the point of having the State of the Union, that we will see this body return to a format of regular order and regular process and rules that we have had in place and have respected and this body has abided by through the course of this great Nation. That would, indeed, be welcomed.

In the 100-hour agenda we have seen the majority party take action on some of the issues that they had chosen to address. Their 100-hour agenda has included legislation on student loans that really is not going to do anything to make loans more accessible and available to those students that are trying to get into college. It is not going to reduce the cost of college while it is there. And it will take effect

after a person has graduated and then is working and is looking at consolidating those loans and paying them back.

So that one was a little bit of a head-scratcher for a lot of our constituents because we have worked tirelessly to make college more affordable, to raise the caps on what could be loaned for students to get those Stafford loans, Pell Grants and increasing the funding for those, things that actually would make a difference, and that is an accomplishment of the Republican majority over the past decade.

Minimum wage. One of our colleagues had just mentioned minimum wage. And I will point out, Mr. Speaker, to the Members of this body that the actions that were taken on minimum wage, we heard from our small business community. Certainly small business employers that are in my district were very concerned about this. We have heard estimates of 5 to 7 to as much as $17 billion in costs that this would be to our small businesses. That is of tremendous concern. That is a cost that is going to get passed on.

□ 1600

That is a cost that is going to get passed on. And of course in the minimum wage bill, we had the unfortunate error of Tunagate that was crept into that bill somehow in one of the sessions as the bill was being drafted, and there again, not going through regular order in making its way to the House. And we hope that we will see that situation addressed.

And the tuna producers that American Samoa were exempted from that, American Samoa was exempted from that minimum wage. That is not fair to the rest of the tuna producers in this country. It is not fair to the rest of the companies that sell tuna and tuna products, and we do hope that there will be attention placed to that and that issue will be addressed, because it was a northern California, San Francisco, company that produced the tuna that is harvested in American Samoa. We do have concerns about favoritism that was shown there.

The Medicare bill that was passed in the first 100 hours will indeed yield additional costs to the VA. We have had some numbers there that are of quite concern, as much as three-quarters of a billion dollars that this would end up costing, be an additional cost to the veterans health care system, to our veterans for their pharmaceuticals.

And what we have heard from our seniors is that they are pleased with Medicare part D. They are pleased to have access to affordable health care. They are very pleased that prescriptions and pharmaceuticals and therapies that at one point they did not have, that they now have access to that.

It was a little bit of a head-scratcher, Mr. Speaker, that a program that has been so well received by our seniors, that the new majority would come along and say, well, we are going to change it. We are going to tweak it. It does not matter if it is working well.

And it leads us to question: Is it just they want programs that only they design and only they grow, or do they want programs that are going to be of service to the American people?

Another of the bills that came through was the 9/11 Commission implementation, not exactly what had been promised in campaign promises. But, you know, the new majority did take the bill up and did take action. And we have heard from a lot of our businesses that are in logistics and transportation with great concerns, great concerns about the cost.

Mr. Speaker, when you pass additional fees and additional mandates, and additional costs on to business, guess what? Ronald Reagan was right. It is the people that end up paying those costs. It is not businesses that are bearing those costs and absorbing them. They get passed on to you, to me, and to other consumers, the taxpayers, who see their costs go up because the business that they are doing business with is having to meet the mandates of who? Guess what? The mandates of the Federal Government.

So, yes, this has been a very expensive first 100 hours. And it has been troublesome in that regular order was not abided by, the bills were not going through committees and having hearings and having the due diligence process that we as Members of Congress are bound to do. And then they were just coming to the floor without those hearings.

I just had another of our colleagues mention something on health care. Of course, this is an issue that we know the President is going to speak a little bit about this evening. Before we move on to a couple of other points, I do want to make a couple of observations about health care and some of the discussion that was taking place on the issue of health care.

We know the President is going to talk about health care tonight. Now, the Republicans, the conservatives, have an approach that they think is a right approach. We think that it is appropriate for small businesses to be able to band together and come together under an umbrella and purchase health care, health coverage, health insurance for their employees.

That is very good. Our Nation has 40 million uninsured, and to be able to have groups come together, small businesses, let us say all of your florists, or all of your auto supply companies, or all of your plumbing companies, or companies that are a part of the Chamber of Commerce or other small business organizations, or women-owned businesses, businesses of like groups can come together and make that purchase of insurance.

It is called small business health plans or association health plans, very good idea for helping our Nation's 40 million uninsured, and the right type, the right type step because it helps make health care insurance affordable.

Mr. Speaker, that is positive. That is a free-market way to address the situation. It is a pro-small-business way to address the situation. It is the right step.

Another good step is allowing a tax deduction, $5,000, $7,500, for small business that buy insurance. That is the great step. That is the way it should be. You know, when you start looking at the end of the year and filling out your taxes, that is money that you have earned, and being able to take that deduction because you have done something that is right, way to go.

It should be incentivized. There should be deductions for that. And it is appropriate that that take place. Now, those are private sector, free market responses to addressing the health care situation. They work very well with the health savings accounts that were passed as part of the Medicare modernization when that bill came forward in 2003.

Health savings accounts have been tremendously popular. We now know that we have about 15 million Americans that are insured through health savings accounts. The number is growing. By 2010 we know that there will be over 20 million American families that are there and insured through health savings accounts, having the opportunity to take responsibility for their health care from dollar one.

And continuing to incentivize health savings accounts, tax deductions there. There again, it is a private sector, free-enterprise solution to the health care situation, more market-driven, allowing people to have control of access, to take control of their health care decisions, and to participate in those, have choice over who their physician is. Those are the right things to do.

Now, one of my colleagues just made a statement about the haves and the have-nots in health care, and made a statement that health care could be provided and, I think I am quoting this correctly, said: We could do it without any additional cost to the system.

Oh, Mr. Speaker, let me tell you, when I hear things like that, without any additional cost to the system, it certainly causes me to pay a little bit closer attention, because one of the things that we have realized, Mr. Speaker, is you know what? Nothing is free. There is nothing free. Nothing. There is no free lunch. There is nothing free in health care. Somebody is paying the bill.

What we see take place many times is cost shifting, and you will see costs shift within a system. Now, in my wonderful State of Tennessee, we have had an interesting situation take place. We have had a program that went into place in January 1, 1995. It is called TENNCARE, and it was basically a template for HILLARY CLINTON's health care plan. And one of the talking points on it was: There will be no additional costs. We will just spread out

the risk. We will allow those who are uninsured, up to so many percent of poverty, 400 percent of poverty, to come in and to access health care, and we will spread the risk. We will do it through managed care organizations. And managed care organizations can compete for the opportunity to provide this insurance.

Well, it has been a program that has had quite a bit of turmoil. We now see that nearly 30 percent of the individuals in our State are on the program, and it is eating up about 36 percent of our State's budget.

The reason for that, Mr. Speaker, is because whenever you are trying to give things for free, someone else is paying. In the case of TENNCARE, it has been the citizens of our State, the taxpayers of our State. And there is no way to ever keep up with the exponential growth of that program. So I would encourage all of my colleagues to be very, very thoughtful as we move forward on the health care debate.

There is no such thing as being free. There is no way to do this with no additional cost, because, as you try to make more things free, what happens is your access is restricted. What happens is you have fewer physicians who are available for those individuals that need those services. What have you when things are free is people flood into that State trying to get that for a reduced fee, and your own citizens of the State who need the program many times are not able to access it.

So I would step very cautiously as our colleagues on the other side of the aisle talk about health care that is going to be free, and universal health care and HILLARY CLINTON's health care plan. There are some pitfalls that are there, and they deserve to be recognized by the body of this House.

As we talk about health care, I would love to yield to the gentleman from Georgia, Dr. PRICE, a distinguished Member of this body who is an expert on health care, for some of his thoughts on the issues of the day.

Mr. PRICE of Georgia. Mr. Speaker, I thank the gentlewoman for yielding. I want to thank you for your leadership and your organization of this hour, and day in and day out of working here in the Congress to represent your constituents in Tennessee, but working so diligently on behalf of the hardworking American taxpayer out there, making certain that their interests are upheld here in the House of Representatives.

I appreciate you bringing up the issue of health care. There are a couple of things that I would be interested in talking about today. But the issue of health care is near and dear to my heart. As you mentioned, I am a physician, or was in my former life before coming to Congress, spent over 20 years in the private practice of orthopedic surgery outside Atlanta.

One thing that I knew for certain and that my patients knew for certain was that when doctors and patients are able to make health care decisions, then good decisions get made. When insurance companies or government inserts themselves into those decisions, then most often, most often those decisions do not resemble the kind of decisions that individual persons would make in very personal health care decisions that they have.

I appreciate the comments that you made. I would like to commend the President for putting on the table what I believe will be discussed tonight in his State of the Union; that is, the individual tax deductibility of health insurance. I have been a longtime supporter of the right of individuals to have the same kind of benefit that employers do in the purchase of health insurance.

So I am pleased that we have heard that that is indeed going to be a possibility brought forward by the President this evening. It would give so many people an opportunity to purchase health insurance that right now are not able to do so financially. So I look forward to that proposal coming forward tonight. And I would be happy to yield back to the gentlewoman and talk about some other issues if you so desire.

Mrs. BLACKBURN. Mr. Speaker, I thank the gentleman for yielding. Before I yield back to him for some further comments, I just want to highlight one of the things that he brought up as a physician, and someone who deals with this.

When you have a government-run program, what you are doing is putting bureaucrats in charge of your health care decisions, and you are removing that doctor-patient relationship many times. You are putting a barrier there between the individual and that doctor. Someone else that is removed from the process is making that decision; thereby it removes the patient many times from that decision process.

□ 1615

That is something that we do not want to see this Nation run toward. Our seniors, our families want to be able to participate in making those health care decisions for themselves. We are so pleased to know that the President will talk about, as I said earlier, the private sector free market-based approach to solving our health care problem.

Mr. Speaker, that is what it is going to require, innovation, thinking outside of the box and being certain of something we know: access, affordability, and preserving that doctor-patient relationship.

In my case, preserving health care for Tennesseeans. In the gentleman from Georgia (Mr. PRICE), preserving health care for Georgians. That is where our focus will be as we move forward on this discussion. We do not want a government-run, government-directed program that is going to place barriers between patients and the individuals that are making those decisions with their health care professionals.

Mr. PRICE of Georgia. Sometimes it is hard to get your arms around what do you mean the government being involved in the process.

I would suggest to my colleagues here and others who are listening that we already see the inroads of some government decisions. One of them is what sounded wonderful at the time, the HIPAA legislation, Health Insurance Portability and Accountability Act, which was supposed to make every individual citizen in this Nation make their health records more secure and private. In fact, what that bill has done is make that information less private and more available to more individuals than ever before. That is because, as you well know when you go in to see your doctor, the first thing you have to do is sign a ream of documents. You feel like you are in a lawyer's office. You sign a ream of documents.

What you are doing when you sign those documents is providing so that the physician, when he or she shares your medical information with anybody, isn't liable for violating HIPAA. Medicine is a collegial activity. It requires that Dr. A communicate with Dr. B who communicates with Dr. C, and they get together and come up with the best solution for anybody's health problem.

When you are not able to share that information, the quality of health care goes down. What has happened because the government had this brilliant idea to get involved in the process is to say we will make it so that your information cannot be shared with anybody unless you give your permission. So because Dr. Smith doesn't know when he or she is going to run into Dr. Jones to discuss that case, it is imperative that every single patient sign away their right to any privacy so the doctor can communicate when that time arises.

What the government has done by putting these rules in place, which sounded wonderful, but what the government has done is made it so every single patient in this Nation, their medical information is less private and less secure than it was before governmental intervention.

Mrs. BLACKBURN. I thank the gentleman for bringing that forward. The unintended consequences are many times what is so difficult to deal with. In theory to bureaucrats sitting in buildings, that sounded like a great deal: let's have everybody sign the forms.

In practice what happened for physicians, it was additional paperwork, additional staff, and removing the patient from the process, making it longer before they get a definitive diagnosis and know how to begin a protocol and treatment that will restore their health, things that impede a quality of life that our constituents desire.

So those unintended consequences many times get in the way. We are just very hopeful that we will continue the focus and that the Democrats will join

us in wanting a private sector, free-market solution to health care and not a government-run bureaucracy.

Mr. PRICE of Georgia. If the gentlewoman would yield, I appreciate that description of a free market private system health care. I call it patient centered when I am talking about private because it means that patients are empowered to do what they feel is appropriate in their instance.

When you have a medical problem or when somebody else has a medical problem, their decision about what they want to do to treat that may not be what mine would be or my family's would be. It is only when individuals get to make those personal decisions that we are able to make certain that patient-centered health care exists.

When we try to describe what the future may be if our friends on the other side of the aisle had their way and put in place a government system that they tried to do in the early 1990s, all you have to do is think about the last time you were at your doctor's and you needed a test or an X-ray or some type of procedure done. Well, it is very likely that discussion and education that you got as a patient with your physician didn't last terribly long and you came to an understanding and agreement about what would happen next.

What you may not have known what happens next is one of those employees in that office then gets on the phone and talks to the insurance company to make certain that it is okay. Most often we have gotten that process down to be relatively streamlined. But can you imagine if we put the government in charge of health care and you had to get on the phone and get the government's permission, Washington's permission, so you could have an MRI or biopsy or some other procedure? That is what is looming.

The problem is now just time and inconvenience. The problem is that if you, in order to have that happen and to be effective from the government, from Washington's viewpoint, if you were not to follow those rules, there would be significant punishment. In fact, you would violate the law.

So what we saw in the early 1990s in the proposal that was put on the table, if you as a patient or a physician were to do something that wasn't allowed by the government, that would be a crime. It wouldn't just be a bad decision; it would be a crime.

So what our friends on the other side of the aisle are in fact proposing in the small print, and I know they like bumper-sticker politics, I know they like to give these glorious titles to things, and they sound wonderful, but when you get down to the fine print, what you see, especially in the area of health care that I feel so passionately about, when you get down to the fine print, what it means is that patients and doctors will be exposed to criminal violations if they don't follow what Washington says they ought to do. That concerns me very, very greatly; and I know it does you.

I yield back.

Mrs. BLACKBURN. It does indeed. I thank the gentleman for yielding back.

Having this process that gets more and more convoluted every single day is of such concern to our constituents who just want to be able to go to the doctor, have a relationship with the doctor and know a little bit about what to expect.

As I said earlier, not knowing what to expect has been one of the interesting points that we have dealt with in this first 100 hours. I think that we all have been a little bit concerned about a bill that was brought forward on Friday. I know my constituents asked about it as they heard about it over the weekend. We talked about it on the floor some this morning, and this is allowing the Delegates voting rights.

I have had constituents say, well now, wouldn't that require an amendment to the Constitution? They remember when this debate took place at different times through history back in the 1970s and again in the early 1990s when there were those that wanted to give voting rights to our territories. They are very, very concerned about this, and rightfully so.

This morning on the floor earlier I quoted a comment that was made by the Democrat Speaker of the House in 1970, Tom Foley, who said: ''It is very clear that a constitutional amendment would be required to give Delegates a vote in the Committee of the Whole or in the full House.'' That was taken from a New York Times editorial.

Now, this is something that we have to realize, we hold our Constitution and the orderly process and the rule of law that is laid forth in that Constitution, we hold that to be meaningful. We recognize the necessity, Mr. Speaker, to respect the Constitution of this great land. We respect that it is built on one man, one vote and equal representation under the law.

So when we hear about giving the residents of our territories a vote, it is of concern to us and it does raise several succinct points that we have discussed on the floor today. It is a point worthy of discussion because it appears that since this has not gone through regular order and through the committee process, we haven't held hearings, this is nothing more than an unconstitutional power grab in order to try to move the new majority's agenda. It is of tremendous concern.

I yield to the gentleman from Georgia for some comments on the issue.

Mr. PRICE of Georgia. I thank the gentlewoman for yielding and her leadership on this issue.

The issue we are talking about is House Resolution 78, H. Res. 78. As the gentlewoman mentioned, it was just brought up as a possibility that we would be voting on it this week this past Friday. I would venture to say, Mr. Speaker, that in your race and I know in my race and I doubt in anybody's race around this Nation, save possibly the elections in the territories, did anyone ever address the issue of Delegates voting on the floor of the House of Representatives. I can honestly say I don't know of anybody who used that as an issue that they ran on in November.

We all appreciate that the American people were interested in change when they voted in November, but I'm with you: I don't think that the American people were interested in this kind of change, this kind of change that I believe to be unconstitutional.

When I go to schools, middle schools and high schools, around my district and I talk to students and we talk about the process of government, oftentimes I will ask them a question: Can we make any law we want in the House of Representatives? Can we make any law in Congress we want?

Sometimes you will get some folks that say yeah; but most often the young men and women and boys and girls in my district and I know across this Nation know and understand and appreciate that the guiding principles that we follow here are defined in the Constitution. I know that it is challenging sometimes for people to be held to make certain that they follow the Constitution, because there are some really stiff rules in this Constitution.

But one of the ones at the very beginning, article I, is about the legislative branches, as you well know, Mr. Speaker, and I believe article I was about the legislative branch because the Founders knew the incredible importance of the representative branch of government, the legislative branch of government. And section 1 is about all powers being vested in the House and Senate. Article I, section 2 states: ''The House of Representatives shall be composed of Members chosen every second year by the people of the several States.''

It didn't mention anything about territories, Delegates from territories. I am so pleased, and we are really aided by the representation in the committees by the Delegates from the territories, by the Resident Commissioner from Puerto Rico, by the Delegates from Guam, the Virgin Islands and American Samoa, and by the Delegate from the District of Columbia, but clearly they do not represent States.

In this Chamber, Mr. Speaker, when we gather as a Committee of the Whole or as the House of Representatives, it is clear that the Founders and that our Constitution states that an individual to vote in that instance must be a Member of the House and a representative of the State.

Mrs. BLACKBURN. Mr. Speaker, repeating again from the Constitution that the representatives of this body are popularly elected from the several States, and that is so important, and I want to talk for just a moment about the size of our districts.

Mine is right around 700,000 people. We have some that I think are as low as 640,000, 650,000. They are going to vary just a little bit. But that is the size of them.

We do appreciate so much the guidance that is given by the Delegates from the territories. They are a valuable participation and a valuable addition and a wonderful and treasured resource of this body. We need their opinion and their input. But the Constitution does not allow for their having a vote.

I think in Guam we have about 155,000 people, and in American Samoa there are about 57,000 people.

□ 1630

So we look at one man, one vote and the equal representation, and then we have to say, my goodness, that is just really a far smaller number. That is the size of many of our towns or our counties that we represent when you have a district like mine. So I think that it is important for us to realize that.

And it is important for us also to realize that these are Delegates that will be able to vote to raise your taxes, but they are not paying those Federal income taxes, and that is of tremendous concern to our constituents.

Mr. Speaker, we have dubbed this time and again the ''hold on to your wallet Congress'' because it seems as if they are looking for ways to increase the cost of government and increase the size of that bureaucracy. And our concern is that this is another of those ways that would make it easier to raise your taxes.

And I yield back to the gentleman from Georgia.

Mr. PRICE of Georgia. I thank you so much for yielding. And I appreciate your bringing up that point because it is so important and really so basic to our Nation.

Our Nation began for a variety of reasons, but not the least of which is that our Founding Fathers believed that they were being taxed without any ability to have representation in the body that was deciding whether or not to tax them. They had taxation without representation.

Well, this is really turning it on its head because, as you mentioned, the individuals, the people in American Samoa, Guam, Puerto Rico, and the Virgin Islands, wonderful people that they are, but they are not obligated to pay any Federal income tax. None. So what we would be doing would be allowing Members, individuals in this House of Representatives who would be described as Members, to vote on whether or not to raise income taxes, but not be affected personally and not have the people that they represent be affected. So that would be representation without taxation. And I simply believe and I think that our constituents believe across this Nation that that is fundamentally wrong. Fundamentally wrong.

And I want to get back for just a moment to the issue of one person/one vote, because when people say, well, it does not make a whole lot of difference if the districts are a little bit different size. What difference does that make? But, again, our Founders knew and understood wisely that every Member of this House of Representatives ought to represent essentially the same number of people so that when individuals at home, citizens at home, vote for their representative, their vote counts basically the same as every other citizen of this Nation. And when you have districts that are one-tenth the size of other districts, which, as you mentioned, American Samoa has a population of about 57,000, 58,000, and most of our districts are around 650,000; so that means that every person in American Samoa who votes, their vote counts 10 times, 10 times the amount that your vote and my vote and every other American citizen's vote counts. And that, Mr. Speaker, and ladies and gentlemen, and colleagues of the House of Representatives, one, is not fair; and, two, it is not the way our Founders envisioned anybody voting in this House of Representatives.

Mrs. BLACKBURN. I thank the gentleman.

And one of the things that we have our focus on as we prepare for the State of the Union tonight and for the work that is before us for the rest of this Congress is certainly making certain that we are successful in our efforts in Iraq and making certain that we are successful in the war on terror.

Mr. Speaker, our constituents know that this has been a long war. They know that the terrorists started attacking us over two decades ago, and they also know that on September 11 this Nation decided we were no longer going to respond to terrorist attacks as civil disobedience. What we were going to do was to change course, and we were going to respond to it as what it is: an act of war. And our constituents all know, especially constituents in my district, National Guard families, Reserve families, families at Fort Campbell that are in our district, they know that this is a very, very difficult time for our Nation, and it is a difficult time for our men and women in uniform. And they know that freedom is worth protecting.

And when I talk to those men and women, many who have been deployed in Afghanistan, have done two deployments in Iraq and know that they may be going back, they will say, Yes, we are going back because our job is not done. And they understand it, Mr. Speaker. And they know that we take a step forward and then we take a step or two back, and that it comes very slowly, and that progress is very slow.

We have seen, and our colleague JOHN SHADEGG had handed me an article from Real Clear Politics that pointed out some things that have been happening recently that just haven't caught the eye of the media, and I wish that they had because I would like for them to catch the eye of the American people.

First of all, there appears to be some retreating by al Qaeda from Baghdad because they know that troop levels are returning to where they were during the electoral process that took place in January of last year in Iraq. They know that the radical cleric, al Sadr, has decided to call off his boycott, and that his people are returning to participate in that newly formed Parliament, and they know that he is lowering his profile. And they also have seen Prime Minister al Maliki begin to take a change of course and to put some distance between himself and al Sadr. But this is of tremendous concern to us when we hear the naysayers talk about cutting funding and not supporting the troops.

And this morning I was on the floor speaking about our colleague SAM JOHNSON, who truly is a hero and has a wonderful piece of legislation that steps forward. It is House Resolution 511, and it really pushes forward on the idea of supporting our troops and funding these men and women who are in harm's way, making certain that they have what they need to do the job that is in front of them; sending the message to them that we stand with them and we are not going to desert them.

We know that this is difficult work. We know that it is a job, as I said, that is slow; that progress is slow. But, Mr. Speaker, as we stand here today preparing for the State of the Union, and as we expect to hear this evening from our Commander in Chief that the state of the Union is indeed strong, we also want these men and women in uniform to know that it is strong because of the work they do.

We have the ability to stand here every day and talk about freedom and defend freedom and talk about having a Nation that is so wonderful and so diverse that we all, each and every one of us, can pursue our dreams, can focus on hope and opportunity that is so important to us. We do that because men and women have put their life on the line, many times more than once, many times for days on end, to be certain that freedom remains. And we feel that it is appropriate to bring forward a resolution that says fund the troops and fund their needs.

We think that it is important that we move forward letting the men and women know that, when they are in the field, we are listening to them. We are listening to the troops. We are listening to the commanders, and we respect their judgment. That is an important message for us to send.

And I yield to the gentleman from Georgia for his comments.

Mr. PRICE of Georgia. Mr. Speaker, I thank the gentlewoman for yielding. And it is so important. And I appreciate your bringing up Congressman JOHNSON's resolution. I spoke for a brief moment on the floor earlier about that as well.

And I know that in this Chamber we can disagree about a lot of things, and we should. Our system works best when ideas are exchanged and the best solutions rise to the top, because it really

is a battle of ideas. But in this instance we can disagree, as I mentioned, about many things, but we ought not disagree about whether or not our men and women in harm's way, our troops who are defending liberty truly around the globe, ought to receive every single resource that they need in order to defend themselves and to defend us.

I know that many folks go to Walter Reed and visit some of those brave men and women who have been injured in battle. I have had the opportunity to do that, and I was struck always by every conversation that I had with some of those men and women who have come back, some with devastating injuries, truly. And I am just so humbled by those conversations that I have with those brave soldiers and warriors because I would try to close every conversation and ask them what it was that we could do to help. What can I do to help? And virtually every single one of them said without fail, Congressman, if you can do one thing, if you can do just one thing, please, please let me get back to my unit. And that kind of enthusiasm, that kind of commitment, that kind of sense of duty and honor and patriotism is chilling. It really is.

There are incredible stories that each of them tell, but also I believe those men and women serve as a guidepost for us. And, in fact, we ought to look to them and look to their courage to have the courage that we need in order to support our men and women who are in harm's way.

And I am very hopeful that this House of Representatives will support Congressman JOHNSON's resolution because it truly speaks for, I believe, the vast majority of the American people who want to make certain that, regardless of how you feel about this conflict, we as a Congress state clearly that we will make certain that we provide all of the resources necessary for our men and women in harm's way.

Mrs. BLACKBURN. I thank the gentleman.

I will close our hour by referencing some comments I have had from some veterans in my district. I love the fact that I have absolutely wonderful veterans who participate with me on these issues in our National Security Coalition, in our Veterans Coalition, which are advisory groups for me. And I have had great discussions with them and have sent them information about the new strategy going forward in Iraq, about some of the conversations that have been taking place here, and have sought their best judgment, men and women who have worn the uniform and have been there and who have fought and seeking their best judgment. And a couple of their comments, I think, are so incredibly significant.

One of them says: ''We have to continue our push forward and let our military make the decisions in this war. When the House and Senate changed, there was no doubt there would be a change of efforts. Our enemy knows this and will continue to strike as long as they think our country is not united.''

And another of the veterans said in this e-mail: ''What is important is that we show a unified front to the enemy and we give the new plan and the deployment a chance to work. If we win, if we defeat radical Islam, then maybe, maybe, this is all going to be worth it.''

Mr. Speaker, these men and women who have put that uniform on and have gone into battle know that this is the price that we pay. They understand that this is not going to be easy. They know, and they are watching the President's speech tonight, and they are watching our response. And I would submit to you, Mr. Speaker, that our enemy is watching our response. And I will submit to you that, while we all have different philosophies, we all come from different districts, and we are a very diverse body, I would commend to you and my colleagues that it is important that we stand with our men and women in uniform, that we show a unified front and show that we are committed to being certain that this Nation continues to stand as a great Nation and that we persevere.

RECESS

The SPEAKER pro tempore (Mr. LYNCH). Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 8:40 p.m. for the purpose of receiving in joint session the President of the United States.

Accordingly (at 4 o'clock and 45 minutes p.m.), the House stood in recess until approximately 8:40 p.m.

□ 2041

AFTER RECESS

The recess having expired, the House was called to order at 8 o'clock and 41 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 38 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The Speaker of the House presided.

The Deputy Sergeant at Arms, Mrs. Kerri Hanley, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Maryland (Mr. HOYER);

The gentleman from South Carolina (Mr. CLYBURN);

The gentleman from Illinois (Mr. EMANUEL);

The gentleman from Connecticut (Mr. LARSON);

The gentleman from Ohio (Mr. BOEHNER);

The gentleman from Missouri (Mr. BLUNT);

The gentleman from Florida (Mr. PUTNAM); and

The gentleman from Michigan (Mr. MCCOTTER).

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the President of the United States into the House Chamber:

The Senator from Nevada (Mr. REID);

The Senator from Illinois (Mr. DURBIN);

The Senator from New York (Mr. SCHUMER);

The Senator from Washington (Mrs. MURRAY);

The Senator from North Dakota (Mr. DORGAN);

The Senator from Michigan (Ms. STABENOW);

The Senator from Kentucky (Mr. MCCONNELL);

The Senator from Mississippi (Mr. LOTT);

The Senator from Arizona (Mr. KYL);

The Senator from Texas (Mr. CORNYN);

The Senator from Texas (Mrs. HUTCHISON);

The Senator from Nevada (Mr. ENSIGN); and

The Senator from Alaska (Mr. STEVENS).

The Deputy Sergeant at Arms announced the Dean of the Diplomatic Corps, His Excellency Roble Olhaye, Ambassador from the Republic of Djibouti.

The Dean of the Diplomatic Corps entered the Hall of the House of Representatives and took the seat reserved for him.

The Deputy Sergeant at Arms announced the Chief Justice of the United States and the Associate Justices of the Supreme Court.

The Chief Justice of the United States and the Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Deputy Sergeant at Arms announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 7 minutes p.m., the Sergeant at Arms, the Honorable Wilson Livingood, announced the President of the United States.

The President of the United States, escorted by the committee of Senators

and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk.

(Applause, the Members rising.)

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

(Applause, the Members rising.)

THE STATE OF THE UNION ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The PRESIDENT. Thank you very much. Tonight, I have a high privilege and distinct honor of my own—as the first President to begin the State of the Union message with these words: Madam Speaker.

In his day, the late Congressman Thomas D'Alesandro, Jr., from Baltimore, Maryland, saw Presidents Roosevelt and Truman at this rostrum. But nothing could compare with the sight of his only daughter, Nancy, presiding tonight as Speaker of the House of Representatives. Congratulations, Madam Speaker.

Two Members of the House and Senate are not with us tonight, and we pray for the recovery and speedy return of Senator Tim Johnson and Congressman Charlie Norwood.

Madam Speaker, Vice President Cheney, Members of Congress, distinguished guests, and fellow citizens:

This rite of custom brings us together at a defining hour, when decisions are hard and courage is tested. We enter the year 2007 with large endeavors under way, and others that are ours to begin. In all of this, much is asked of us. We must have the will to face difficult challenges and determined enemies, and the wisdom to face them together.

Some in this Chamber are new to the House and Senate, and I congratulate the Democratic majority. Congress has changed, but our responsibilities have not. Each of us is guided by our own convictions, and to these we must stay faithful. Yet we are all held to the same standards and called to serve the same good purposes: to extend the Nation's prosperity, to spend the people's money wisely, to solve problems, not leave them to future generations, to guard America against all evil, and to keep faith with those we have sent forth to defend us.

We are not the first to come here with government divided and uncertainty in the air. Like many before us, we can work through our differences and achieve big things for the American people. Our citizens don't much care which side of the aisle we sit on, as long as we are willing to cross that aisle when there is work to be done. Our job is to make life better for our fellow Americans and help them to build a future of hope and opportunity, and this is the business before us tonight.

A future of hope and opportunity begins with a growing economy, and that is what we have. We are now in the 41st month of uninterrupted job growth, in a recovery that has created 7.2 million new jobs, so far. Unemployment is low, inflation is low, and wages are rising. The economy is on the move, and our job is to keep it that way, not with more government but with more enterprise.

Next week, I will deliver a full report on the state of our economy. Tonight, I want to discuss three economic reforms that deserve to be priorities for this Congress.

First, we must balance the Federal budget. We can do so without raising taxes. What we need to do is impose spending discipline in Washington, D.C. We set a goal of cutting the deficit in half by 2009, and met that goal 3 years ahead of schedule. Now let us take the next step. In the coming weeks, I will submit a budget that eliminates the Federal deficit within the next 5 years. I ask you to make the same commitment. Together, we can restrain the spending appetite of the Federal Government and balance the Federal budget.

Next, there is the matter of earmarks. These special interest items are often slipped into bills at the last hour, when not even C–SPAN is watching. In 2005 alone, the number of earmarks grew to over 13,000 and totaled nearly $18 billion. Even worse, over 90 percent of earmarks never make it to the floor of the House and Senate. They are dropped into committee reports that are not even part of the bill that arrives on my desk. You did not vote them into law. I did not sign them into law. Yet they are treated as if they have the force of law. The time has come to end this practice. So let us work together to reform the budget process, expose every earmark to the light of day and to a vote in Congress, and cut the number and cost of earmarks at least in half by the end of this session.

Finally, to keep this economy strong we must take on the challenge of entitlements. Social Security and Medicare and Medicaid are commitments of conscience, and so it is our duty to keep them permanently sound. Yet we are failing in that duty, and this failure will one day leave our children with three bad options: huge tax increases, huge deficits, or huge and immediate cuts in benefits. Everyone in this Chamber knows this to be true, yet somehow we have not found it in ourselves to act. So let us work together and do it now. With enough good sense and good will, you and I can fix Medicare and Medicaid, and save Social Security.

Spreading opportunity and hope in America also requires public schools that give children the knowledge and character they need in life. Five years ago, we rose above partisan differences to pass the No Child Left Behind Act, preserving local control, raising standards, and holding those schools accountable for results. And because we acted, students are performing better in reading and math, and minority students are closing the achievement gap.

Now the task is to build on this success, without watering down standards, without taking control from local communities, and without back sliding and calling it reform. We can lift student achievement even higher by giving local leaders flexibility to turn around failing schools, and by giving families with children stuck in failing schools the right to choose someplace better. We must increase funds for students who struggle, and make sure these children get the special help they need. And we can make sure our children are prepared for the jobs of the future, and our country is more competitive, by strengthening math and science skills. The No Child Left Behind Act has worked for America's children, and I ask Congress to reauthorize this good law.

A future of hope and opportunity requires that all our citizens have affordable and available health care. When it comes to health care, government has an obligation to care for the elderly, the disabled, and poor children, and we will meet those responsibilities. For all other Americans, private health care insurance is the best way to meet their needs. But many Americans cannot afford a health insurance policy.

So tonight, I propose two new initiatives to help more Americans afford their own insurance. First, I propose a standard tax deduction for health insurance that will be like the standard tax deduction for dependents. Families with health insurance will pay no income or payroll taxes on $15,000 of their income. Single Americans with health insurance will pay no income or payroll taxes on $7,500 of their income. With this reform, more than 100 million men, women, and children who are now covered by employer-provided insurance will benefit from lower tax bills.

At the same time, this reform will level the playing field for those who do not get health insurance through their job. For Americans who now purchase health insurance on their own, this proposal would mean a substantial tax savings, $4,500 for a family of four making $60,000 a year. And for the millions of other Americans who have no health insurance at all, this deduction would help put a basic private health insurance plan within their reach. Changing the Tax Code is a vital and necessary step to making health care affordable for more Americans.

My second proposal is to help the States that are coming up with innovative ways to cover the uninsured. States that make basic private health insurance available to all their citizens should receive Federal funds to help them provide this coverage to the poor and the sick. I have asked the Secretary of Health and Human Services to work with Congress to take existing Federal funds and use them to create ''Affordable Choices'' grants. These

grants would give our Nation's Governors more money and more flexibility to get private health insurance to those most in need.

There are many other ways that Congress can help. We need to expand health savings accounts. We need to help small businesses through association health plans, we need to reduce costs and medical errors with better information technology. We will encourage price transparency, and to protect good doctors from junk lawsuits we need to pass medical liability reform. And in all we do, we must remember that the best health care decisions are made not by government and insurance companies, but by patients and their doctors.

Extending hope and opportunity in our country requires an immigration system worthy of America, with laws that are fair and borders that are secure. When laws and borders are routinely violated, this harms the interests of our country. To secure our border, we are doubling the size of the Border Patrol, and funding new infrastructure and technology.

Yet even with all these steps, we cannot fully secure the border unless we take pressure off the border, and that requires a temporary worker program. We should establish a legal and orderly path for foreign workers to enter our country to work on a temporary basis. As a result, they won't have to try to sneak in, and that will leave border agents free to chase down drug smugglers and criminals and terrorists. We will enforce our immigration laws at the work site, and give employers the tools to verify the legal status of their workers, so there is no excuse left for violating the law. We need to uphold the great tradition of the melting pot that welcomes and assimilates new arrivals. We need to resolve the status of illegal immigrants who are already in our country, without animosity and without amnesty.

Convictions run deep in this Capitol when it comes to immigration. Let us have a serious, civil, and conclusive debate, so that you can pass, and I can sign, comprehensive immigration reform into law.

Extending hope and opportunity depends on a stable supply of energy that keeps America's economy running and America's environment clean. For too long our Nation has been dependent on foreign oil, and this dependence leaves us more vulnerable to hostile regimes, and to terrorists, who could cause huge disruptions of oil shipments, and raise the price of oil, and do great harm to our economy.

It is in our vital interest to diversify America's energy supply, and the way forward is through technology. We must continue changing the way America generates electric power, by even greater use of clean coal technology, solar and wind energy, and clean, safe nuclear power. We need to press on with battery research for plug-in and hybrid vehicles and expand the use of clean diesel vehicles and biodiesel fuel. We must continue investing in new methods of producing ethanol, using everything from wood chips, to grasses, to agricultural wastes.

We have made a lot of progress, thanks to good policies here in Washington and the strong response of the market. And now even more dramatic advances are within reach. Tonight, I ask Congress to join me in pursuing a great goal. Let us build on the work we have done and reduce gasoline usage in the United States by 20 percent in the next 10 years. When we do that, we will be cutting our total imports by the equivalent of three-quarters of all the oil we now import from the Middle East.

To reach this goal, we must increase the supply of alternative fuels, by setting a mandatory fuels standard to require 35 billion gallons of renewable and alternative fuels in 2017. And that is nearly five times the current target. At the same time, we need to reform and modernize fuel economy standards for cars the way we did for light trucks, and conserve up to 8½ billion more gallons of gasoline by 2017.

Achieving these ambitious goals will dramatically reduce our dependence on foreign oil, but it is not going to eliminate it. So as we continue to diversify our fuel supply, we must also step up domestic oil production in environmentally sensitive ways. And to further protect America against severe disruptions to our oil supply, I ask Congress to double the current capacity of the Strategic Petroleum Reserve.

America is on the verge of technological breakthroughs that will enable us to live our lives less dependent on oil. These technologies will help us become better stewards of the environment, and they will help us to confront the serious challenge of global climate change.

A future of hope and opportunity requires a fair, impartial system of justice. The lives of our citizens across our Nation are affected by the outcome of cases pending in our Federal courts. We have a shared obligation to ensure that the Federal courts have enough judges to hear those cases and deliver timely rulings. As president, I have a duty to nominate qualified men and women to vacancies on the Federal bench. And the United States Senate has a duty as well, to give those nominees a fair hearing and a prompt up-or-down vote on the Senate floor.

For all of us in this room, there is no higher responsibility than to protect the people of this country from danger. Five years have come and gone since we saw the scenes and felt the sorrow that the terrorists can cause. We have had time to take stock of our situation. We have added many critical protections to guard the homeland. We know with certainty that the horrors of that September morning were just a glimpse of what the terrorists intend for us, unless we stop them.

With the distance of time, we find ourselves debating the causes of conflict and the course we have followed. Such debates are essential when a great democracy faces great questions. Yet one question has surely been settled, that to win the war on terror we must take the fight to the enemy.

From the start, America and our allies have protected our people by staying on the offense. The enemy knows that the days of comfortable sanctuary, easy movement, steady financing, and free-flowing communications are long over. For the terrorists, life since 9/11 has never been the same.

Our success in this war is often measured by the things that did not happen. We cannot know the full extent of the attacks that we and our allies have prevents, but here is some of what we do know: we stopped an al Qaeda plot to fly a hijacked airplane into the tallest building on the west coast. We broke up a Southeast Asian terrorist cell grooming operatives for attacks inside the United States. We uncovered an al Qaeda cell developing anthrax to be used in attacks against America. And just last August, British authorities uncovered a plot to blow up passenger planes bound for America over the Atlantic Ocean. For each life saved, we owe a debt of gratitude to the brave public servants who devote their lives to finding the terrorists and stopping them.

Every success against the terrorists is a reminder of the shoreless ambitions of this enemy. The evil that inspired and rejoiced in 9/11 is still at work in the world. And so long as that is the case, America is still a Nation at war.

In the minds of the terrorists, this war began well before September 11 and will not end until their radical vision is fulfilled. And these past 5 years have given us a much clearer view of the nature of this enemy. Al Qaeda and its followers are Sunni extremists, possessed by hatred and commanded by a harsh and narrow ideology. Take almost any principle of civilization, and their goal is the opposite. They preach with threats, instruct with bullets and bombs, and promise paradise for the murder of the innocent.

Our enemies are quite explicit about their intentions. They want to overthrow moderate governments and establish safe havens from which to plan and carry out new attacks on our country. By killing and terrorizing Americans, they want to force our country to retreat from the world and abandon the cause of liberty. They would then be free to impose their will and spread their totalitarian ideology. Listen to this warning from the late terrorist Zarqawi: ''We will sacrifice our blood and bodies to put an end to your dreams, and what is coming is even worse.'' And Osama bin Laden declared: ''Death is better than living on this Earth with the unbelievers among us.''

These men are not given to idle words, and they are just one camp in the Islamist radical movement. In recent times, it has also become clear

that we face an escalating danger from Shia extremists who are just as hostile to America and are also determined to dominate the Middle East. Many are known to take direction from the regime in Iran, which is funding and arming terrorists like Hezbollah, a group second only to al Qaeda in the American lives it has taken.

The Shia and Sunni extremists are different faces of the same totalitarian threat. Whatever slogans they chant, when they slaughter the innocent, they have the same wicked purposes. They want to kill Americans, kill democracy in the Middle East, and gain the weapons to kill on an even more horrific scale.

In the sixth year since our Nation was attacked, I wish I could report to you that the dangers had ended. They have not. And so it remains the policy of this government to use every lawful and proper tool of intelligence, diplomacy, law enforcement, and military action to do our duty, to find these enemies, and to protect the American people.

This war is more than a clash of arms. It is a decisive ideological struggle, and the security of our Nation is in the balance. To prevail, we must remove the conditions that inspire blind hatred, and drove 19 men to get onto airplanes and to come and kill us. What every terrorist fears most is human freedom, societies where men and women make their own choices, answer to their own conscience, and live by their hopes instead of their resentments. Free people are not drawn to violent and malignant ideologies, and most will choose a better way when they are given a chance. So we advance our own security interests by helping moderates, reformers, and brave voices for democracy. The great question of our day is whether America will help men and women in the Middle East to build free societies and share in the rights of all humanity. And I say, for the sake of our own security, we must.

In the last 2 years, we have seen the desire for liberty in the broader Middle East, and we have been sobered by the enemy's fierce reaction. In 2005, the world watched as the citizens of Lebanon raised the banner of the Cedar Revolution. They drove out the Syrian occupiers, and chose new leaders in free elections. In 2005, the people of Afghanistan defied the terrorists and elected a democratic legislature. And in 2005, the Iraqi people held three national elections, choosing a transitional government, adopting the most progressive, democratic constitution in the Arab world, and then electing a government under that constitution. Despite endless threats from the killers in their midst, nearly 12 million Iraqi citizens came out to vote in a show of hope and solidarity we should never forget.

A thinking enemy watched all of these scenes, adjusted their tactics, and in 2006 they struck back. In Lebanon, assassins took the life of Pierre Gemayel, a prominent participant in the Cedar Revolution. Hezbollah terrorists, with support from Syria and Iran, sowed conflict in the region and are seeking to undermine Lebanon's legitimately elected government. In Afghanistan, Taliban and al Qaeda fighters tried to regain power by regrouping and engaging Afghan and NATO forces. In Iraq, al Qaeda and other Sunni extremists blew up one of the most sacred places in Shia Islam, the Golden Mosque of Samarra. This atrocity, directed at a Muslim house of prayer, was designed to provoke retaliation from Iraqi Shia, and it succeeded. Radical Shia elements, some of whom receive support from Iran, formed death squads. The result was a tragic escalation of sectarian rage and reprisal that continues to this day.

This is not the fight we entered in Iraq, but it is the fight we are in. Every one of us wishes that this war were over and won. Yet it would not be like us to leave our promises unkept, our friends abandoned, and our own security at risk. Ladies and gentlemen, on this day, at this hour, it is still within our power to shape the outcome of this battle. Let us find our resolve and turn events toward victory.

We are carrying out a new strategy in Iraq, a plan that demands more from Iraq's elected government and gives our forces in Iraq the reinforcements they need to complete their mission. Our goal is a democratic Iraq that upholds the rule of law, respects the rights of its people, provides them security, and is an ally in the war on terror.

In order to make progress toward this goal, the Iraqi Government must stop the sectarian violence in its capital. But the Iraqis are not yet ready to do this on their own. So we are deploying reinforcements of more than 20,000 additional soldiers and marines to Iraq. The vast majority will go to Baghdad, where they will help Iraqi forces to clear and secure neighborhoods, and serve as advisers embedded in Iraqi Army units. With Iraqis in the lead, our forces will help secure the city by chasing down the terrorists, insurgents, and the roaming death squads. And in Anbar province, where al Qaeda terrorists have gathered and local forces have begun showing a willingness to fight them, we are sending an additional 4,000 United States marines, with orders to find the terrorists and clear them out. We did not drive al Qaeda out of their safe haven in Afghanistan only to let them set up a new safe haven in a free Iraq.

The people of Iraq want to live in peace, and now is the time for their government to act. Iraq's leaders know that our commitment is not open ended. They have promised to deploy more of their own troops to secure Baghdad, and they must do so. They have pledged that they will confront violent radicals of any faction or political party. And they need to follow through and lift needless restrictions on Iraqi and Coalition forces so these troops can achieve their mission of bringing security to all of the people of Baghdad. Iraq's leaders have committed themselves to a series of benchmarks to achieve reconciliation, to share oil revenues among all of Iraq's citizens, to put the wealth of Iraq into the rebuilding of Iraq, to allow more Iraqis to reenter their nation's civic life, to hold local elections, and to take responsibility for security in every Iraqi province. But for all of this to happen, Baghdad must be secured. And our plan will help the Iraqi Government take back its capital and make good on its commitments.

My fellow citizens, our military commanders and I have carefully weighed the options. We discussed every possible approach. In the end, I chose this course of action because it provides the best chance for success. Many in this Chamber understand that America must not fail in Iraq, because you understand that the consequences of failure would be grievous and far reaching.

If American forces step back before Baghdad is secure, the Iraqi Government would be overrun by extremists on all sides. We could expect an epic battle between Shia extremists backed by Iran, and Sunni extremists aided by al Qaeda and supporters of the old regime. A contagion of violence could spill out across the country, and in time the entire region could be drawn into the conflict.

For America, this is a nightmare scenario. For the enemy, this is the objective. Chaos is their greatest ally in this struggle. And out of chaos in Iraq would emerge an emboldened enemy with new safe havens, new recruits, new resources, and an even greater determination to harm America. To allow this to happen would be to ignore the lessons of September 11 and invite tragedy. And ladies and gentlemen, nothing is more important at this moment in our history than for America to succeed in the Middle East, to succeed in Iraq, and to spare the American people from this danger.

This is where matters stand tonight, in the here and now. I have spoken with many of you in person. I respect you and the arguments you have made. We went into this largely united, in our assumptions and in our convictions. And whatever you voted for, you did not vote for failure. Our country is pursuing a new strategy in Iraq, and I ask you to give it a chance to work. And I ask you to support our troops in the field, and those on their way.

The war on terror we fight today is a generational struggle that will continue long after you and I have turned our duties over to others. That is why it is important to work together so our Nation can see this great effort through. Both parties and both branches should work in close consultation. And this is why I propose to establish a special advisory council on the war on terror, made up of leaders in Congress from both political parties.

We will share ideas for how to position America to meet every challenge that confronts us. And we will show our enemies abroad that we are united in the goal of victory.

One of the first steps we can take together is to add to the ranks of our military, so that the American Armed Forces are ready for all the challenges ahead. Tonight I ask the Congress to authorize an increase in the size of our active Army and Marine Corps by 92,000 in the next 5 years. A second task we can take on together is to design and establish a volunteer civilian reserve corps. Such a corps would function much like our military reserve. It would ease the burden on the Armed Forces by allowing us to hire civilians with critical skills to serve on missions abroad when America needs them. And it would give people across America who do not wear the uniform a chance to serve in the defining struggle of our time.

Americans can have confidence in the outcome of this struggle, because we are not in this struggle alone. We have a diplomatic strategy that is rallying the world to join in the fight against extremism. In Iraq, multinational forces are operating under a mandate from the United Nations, and we are working with Jordan, Saudi Arabia, Egypt, and the gulf states to increase support for Iraq's government. The United Nations has imposed sanctions on Iran and made it clear that the world will not allow the regime in Tehran to acquire nuclear weapons. With the other members of the Quartet, the U.N., the European Union and Russia, we are pursuing diplomacy to help bring peace to the Holy Land, and pursuing the establishment of a democratic Palestinian state living side by side with Israel in peace and security. In Afghanistan, NATO has taken the lead in turning back the Taliban and al Qaeda offensive, the first time the alliance has deployed forces outside the North Atlantic area. Together with our partners in China, Japan, Russia, and South Korea, we are pursuing intensive diplomacy to achieve a Korean Peninsula free of nuclear weapons. And we will continue to speak out for the cause of freedom in places like Cuba, Belarus, and Burma, and continue to awaken the conscience of the world to save the people of Darfur.

American foreign policy is more than a matter of war and diplomacy. Our work in the world is also based on a timeless truth: to whom much is given, much is required. We hear the call to take on the challenges of hunger and poverty and disease, and that is precisely what America is doing. We must continue to fight HIV/AIDS, especially on the continent of Africa. Because you funded our Emergency Plan for AIDS Relief, the number of people receiving life-saving drugs has grown from 50,000 to more than 800,000 in 3 short years. I ask you to continue funding our efforts to fight HIV/AIDS, and I ask you to provide $1.2 billion over 5 years so we can combat malaria in 15 African countries. I ask that you fund the Millennium Challenge Account so that American aid reaches the people who need it, in nations where democracy is on the rise and corruption is in retreat. And let us continue to support the expanded trade and debt relief that are the best hope for lifting lives and eliminating poverty.

When America serves others in this way, we show the strength and generosity of our country. These deeds reflect the character of our people. The greatest strength we have is the heroic kindness, courage, and self-sacrifice of the American people. You see this spirit often if you know where to look, and tonight we need only look above to the gallery.

Dikembe Mutombo grew up in Africa amid great poverty and disease. He came to Georgetown University on a scholarship to study medicine, but Coach John Thompson got a look at Dikembe and had a different idea. Dikembe became a star in the NBA and a citizen of the United States. But he never forgot the land of his birth, or the duty to share his blessings with others. He built a brand-new hospital in his old hometown. A friend has said of this good hearted man: ''Mutombo believes that God has given him this opportunity to do great things.'' And we are proud to call this son of the Congo a citizen of the United States of America.

After her daughter was born, Julie Aigner-Clark searched for ways to share her love of music and art with her child. So she borrowed some equipment and began filming children's videos in her basement. The Baby Einstein Company was born, and in just 5 years her business grew to more than $20 million in sales. In November 2001, Julie sold Baby Einstein to Walt Disney Company; and with her help, Baby Einstein has grown into a $200 million business. Julie represents the great enterprising spirit of America. And she is using her success to help others, producing child safety videos with John Walsh of the National Center for Missing and Exploited Children. Julie says of her new project: ''I believe it is the most important thing that I have ever done. I believe that children have the right to live in a world that is safe.'' And so tonight we are pleased to welcome this talented business entrepreneur and generous social entrepreneur, Julie Aigner-Clark.

Three weeks ago, Wesley Autry was waiting at a Harlem subway station with his two little girls, when he saw a man fall into the path of a train. With seconds to act, Wesley jumped onto the tracks, pulled the man into the space between the rails, and held him as the train passed right above their heads. He insists he is not a hero. He says: ''We got guys and girls overseas dying for us to have our freedoms. We have got to show each other some love.'' There is something wonderful about a country that produces a brave and humble man like Wesley Autry.

Tommy Rieman was a teenager pumping gas in Independence, Kentucky, when he enlisted in the United States Army. In December 2003, he was on a reconnaissance mission in Iraq when his team came under heavy enemy fire. From his Humvee, Sergeant Rieman returned fire. He used his body as a shield to protect his gunner. He was shot in the chest and arm, and received shrapnel wounds to his legs, yet he refused medical attention and stayed in the fight. He helped to repel a second attack, firing grenades at the enemy's position. For his exceptional courage, Sergeant Rieman was awarded the Silver Star. And like so many other Americans who have volunteered to defend us, he has earned the respect and the gratitude of our whole country.

In such courage and compassion, ladies and gentlemen, we see the spirit and character of America, and these qualities are not in short supply. This is a decent and honorable country, and resilient, too. We have been through a lot together. We have met challenges and faced dangers, and we know that more lie ahead. Yet we can go forward with confidence, because the state of our Union is strong, our cause in the world is right, and tonight that cause goes on. God bless. Thank you for your prayers. Thank you.

(Applause, the Members rising.)

At 10 o'clock and 8 minutes p.m., the President of the United States, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Deputy Sergeant at Arms escorted the invited guests from the Chamber in the following order:

The Members of the President's Cabinet; Chief Justice of the United States and Associate Justices of the Supreme Court; the Dean of the Diplomatic Corps.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 10 o'clock and 9 minutes p.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. HOYER. Madam Speaker, I move that the message of the President be referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

The motion was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LUCAS (at the request of Mr. BOEHNER) for today on account of family illness.

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. GENE GREEN of Texas) to revise and extend their remarks and include extraneous material:)

Mr. GEORGE MILLER of California, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. GENE GREEN of Texas, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. KUCINICH, for 5 minutes, today.

(The following Member (at the request of Mr. CONAWAY) to revise and extend his remarks and include extraneous material:)

Mr. CONAWAY, for 5 minutes, today.

ADJOURNMENT

Mr. HOYER. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 10 minutes p.m.), the House adjourned until tomorrow, Wednesday, January 24, 2007, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

387. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

388. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket No. FEMA-7951] received November 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

389. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

390. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Suspension of Community Eligibility [Docket No. FEMA-7945] received October 18, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

391. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — National Flood Insurance Program; Appeal of Decisions Relating to Flood Insurance Claims (RIN: 1660-AA41) received October 30, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

392. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket No. FEMA-B-7466] received November 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

393. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

394. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

395. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

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398. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

399. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

400. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 2, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

401. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — November 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

402. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Changes in Flood Elevation Determinations [Docket No. FEMA-B-7467] received November 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

403. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 20, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

404. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

405. A letter from the Chief Counsel/FEMA, Department of Homeland Security, transmitting the Department's final rule — Final Flood Elevation Determinations — received November 28, 2006, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

406. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule — Conversion of Insured Credit Unions to Mutual Savings Banks (RIN: 3133-AD16) received January 19, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

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. HASTINGS of Florida: Committee on Rules. House Resolution 86. Resolution providing for consideration of the resolution (H. Res. 78) amending the Rules of the House of Representatives to permit Delegates and the Resident Commissioner to the Congress to cast votes in the Committee of the Whole House on the state of the Union (Rept. 110–3). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. FLAKE (for himself, Mr. HENSARLING, Mr. TERRY, Mr. RADANOVICH, Mr. CAMPBELL of California, Mr. FORTUÑO, Mr. MILLER of Florida, Mr. PENCE, Mr. SALI, Mr. BILBRAY, Mr. WALBERG, and Mr. BARTLETT of Maryland):

H.R. 631. A bill to prohibit Federal agencies from obligating funds for earmarks included only in congressional reports, and for other purposes; to the Committee on Oversight and Government Reform.

By Mr. LIPINSKI (for himself, Mr. INGLIS of South Carolina, Mr. DOYLE, Mr. BROWN of South Carolina, Mr. DENT, Mr. EHLERS, Ms. LORETTA SANCHEZ of California, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. TERRY, Mr. MCCAUL of Texas, Mr. GERLACH, Mr. CAMP of Michigan, Mr. BARRETT of South Carolina, Mr. WILSON of South Carolina, Mr. REICHERT, Mr. WOLF, Mr. WICKER, Mr. JOHNSON of Illinois, Mr. SOUDER, Mr. KUHL of New York, Mr. WYNN, Mr. LARSON of Connecticut, Mr. KINGSTON, Mr. LINCOLN DAVIS of Tennessee, Mr. ARCURI, and Mr. WAMP):

H.R. 632. A bill to authorize the Secretary of Energy to establish monetary prizes for achievements in overcoming scientific and technical barriers associated with hydrogen energy; to the Committee on Science and Technology.

By Mr. VAN HOLLEN (for himself, Mr. MEEHAN, Mr. COHEN, Mr. KUCINICH, Mr. SESTAK, Ms. GIFFORDS, Mr. MCNULTY, and Mrs. DAVIS of California):

H.R. 633. A bill to amend the Lobbying Disclosure Act of 1995 to require lobbyists to disclose the candidates, leadership PACs, and political party committees for whom they collect or arrange contributions, and for other purposes; to the Committee on the Judiciary.

By Mr. MOORE of Kansas (for himself and Mr. KIRK):

H.R. 634. A bill to require the Secretary of the Treasury to mint coins in commemoration of veterans who became disabled for life while serving in the Armed Forces of the United States; to the Committee on Financial Services.

By Mr. UPTON (for himself, Mr. DOYLE, Mr. PLATTS, Mrs. EMERSON, Mr. LATOURETTE, Mr. REGULA, Mrs. BIGGERT, Mr. EHLERS, Mr. GILCHREST, Mr. KILDEE, Mr. HOEKSTRA, Mr. SHIMKUS, Mr. RAMSTAD, Mrs. MILLER of Michigan, and Mr. DONNELLY):

H.R. 635. A bill to amend the Clean Air Act to require that, after the year 2012, all gasoline sold to consumers in the United States for motor vehicles contain not less than 10 percent renewable fuel, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. BACHMANN (for herself, Mr. AKIN, Mr. BARTLETT of Maryland, Mrs. BLACKBURN, Mr. BOUSTANY, Mr. BURGESS, Mr. BURTON of Indiana, Mr. CARTER, Mr. CONAWAY, Mrs. CUBIN, Mrs. JO ANN DAVIS of Virginia, Mr. FEENEY, Mr. FRANKS of Arizona, Mr. GINGREY, Mr. GILLMOR, Mr. GOHMERT, Mr. GRAVES, Mr. HALL of Texas, Mr. WALBERG, Mr. JONES of North Carolina, Mr. KING of Iowa, Mr. MCCOTTER, Mr. MILLER of Florida, Mr. PAUL, Mr. PENCE, Mr. PETERSON of Pennsylvania, Mr. RADANOVICH, Mr. ROHRABACHER, Mr. SENSENBRENNER, Mr. SESSIONS, Mr. SIMPSON, Mr. TERRY, Mr. WELLER, Mr. YOUNG of Alaska, Mr. ROGERS of Alabama, Mr. PLATTS, Mr. FLAKE, and Mr. WELDON of Florida):

H.R. 636. A bill to amend the Internal Revenue Code of 1986 to improve health care choice by providing for the tax deductibility of medical expenses by individuals; to the Committee on Ways and Means.

By Ms. HERSETH:

H.R. 637. A bill to grant a Federal charter to the National American Indian Veterans, Incorporated; to the Committee on the Judiciary.

By Mr. JINDAL:

H.R. 638. A bill to amend the Violent Crime Control and Law Enforcement Act of 1994 to improve efforts to reduce gang activity and violent crime; to the Committee on the Judiciary.

By Mr. JINDAL:

H.R. 639. A bill to designate as HUBZones the disaster areas associated with Hurricanes Katrina and Rita; to the Committee on Small Business.

By Mr. JINDAL:

H.R. 640. A bill to amend the Internal Revenue Code of 1986 to permit financial institutions to determine their interest expense deduction without regard to tax-exempt bonds issued to provide certain small loans for health care or educational purposes; to the Committee on Ways and Means.

By Mr. JINDAL:

H.R. 641. A bill to clarify the tax treatment of certain payments made to homeowners by the Louisiana Recovery Authority and the Mississippi Development Authority; to the Committee on Ways and Means.

By Mrs. JONES of Ohio (for herself and Mr. WHITFIELD):

H.R. 642. A bill to establish a demonstration incentive program within the Department of Education to promote installation of fire sprinkler systems, or other fire suppression or prevention technologies, in qualified student housing and dormitories, and for other purposes; to the Committee on Education and Labor.

By Mrs. JONES of Ohio (for herself and Mr. RYAN of Wisconsin):

H.R. 643. A bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants; to the Committee on Ways and Means.

By Mr. GARY G. MILLER of California (for himself, Mrs. MALONEY of New York, Mr. FRANK of Massachusetts, Mr. BACHUS, Ms. WATERS, Mr. KANJORSKI, Mr. SOUDER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MCHUGH, Mr. PASCRELL, Mr. SHAYS, and Mr. TURNER):

H.R. 644. A bill to facilitate the provision of assistance by the Department of Housing and Urban Development for the cleanup and economic redevelopment of brownfields; to the Committee on Financial Services.

By Mr. PRICE of North Carolina (for himself, Mr. MILLER of North Carolina, Mr. LEWIS of Georgia, Ms. VELÁZQUEZ, Ms. JACKSON-LEE of Texas, Mr. FATTAH, and Mr. BISHOP of New York):

H.R. 645. A bill to provide for the withdrawal of United States Armed Forces from Iraq, to authorize assistance for Iraq, and for other purposes; to the Committee on Foreign Affairs, and in addition to the Committee on Armed Services, 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. ROGERS of Kentucky (for himself, Mr. DAVIS of Kentucky, Mr. LEWIS of Kentucky, Mr. WHITFIELD, Mr. CHANDLER, and Mr. YARMUTH):

H.R. 646. A bill to establish the Kentucky Artisan Heritage Trails National Heritage Area Act in the Commonwealth of Kentucky, and for other purposes; to the Committee on Natural Resources.

By Ms. WATERS (for herself, Mr. FRANK of Massachusetts, and Ms. PRYCE of Ohio):

H.R. 647. A bill to extend for 5 years the Mark-to-Market program of the Department of Housing and Urban Development; to the Committee on Financial Services.

By Mr. YOUNG of Alaska:

H.R. 648. A bill to amend the Elementary and Secondary Education Act of 1965, and for other purposes; to the Committee on Education and Labor.

By Mr. FRANK of Massachusetts:

H. Con. Res. 41. Concurrent resolution providing for a conditional adjournment of the House of Representatives; considered and agreed to.

By Mrs. MCCARTHY of New York:

H. Con. Res. 42. Concurrent resolution honoring the heroic service and sacrifice of the 6,500 glider pilots of the United States Army Air Forces during World War II; to the Committee on Armed Services.

By Mr. PAUL (for himself, Mr. NEAL of Massachusetts, Mr. GILCHREST, Mr. KUCINICH, Mr. BARTLETT of Maryland, Mr. MEEHAN, Mr. DUNCAN, Mr. ABERCROMBIE, Mr. JONES of North Carolina, and Mr. TAYLOR):

H. Con. Res. 43. Concurrent resolution expressing the sense of Congress that the President should implement Recommendation 9 of the Iraq Study Group Report; to the Committee on Foreign Affairs.

By Mr. EMANUEL:

H. Res. 85. A resolution electing Members to certain standing committees of the House of Representatives; considered and agreed to.

By Mr. KNOLLENBERG:

H. Res. 87. A resolution expressing the sense of the House of Representatives that all Americans should participate in a moment of silence to reflect upon the service and sacrifice of members of the United States Armed Forces both at home and abroad; to the Committee on Armed Services.

By Ms. GINNY BROWN-WAITE of Florida (for herself, Mr. SHAYS, Mrs. MILLER of Michigan, Mr. CASTLE, Mrs. MUSGRAVE, Mr. MILLER of Florida, Mrs. MYRICK, Mr. ENGLISH of Pennsylvania, Mr. PORTER, Mr. MCCOTTER, Mr. PITTS, and Mr. JINDAL):

H. Res. 88. A resolution expressing the sense of the House of Representatives that Members of the House are not immune from having their offices searched; to the Committee on the Judiciary.

By Mr. HOEKSTRA (for himself and Mr. VAN HOLLEN):

H. Res. 89. A resolution expressing the sense of the House of Representatives that a day should be established as Dutch-American Friendship Day to celebrate the historic ties of the United States and the Netherlands; to the Committee on Oversight and Government Reform.

By Ms. KILPATRICK (for herself, Mr. LIPINSKI, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BACA, Ms. CARSON, Mr. CLEAVER, Mr. KIRK, Mr. PAYNE, Mr. DAVIS of Illinois, Mr. SERRANO, Ms. WATSON, Mr. GRIJALVA, and Mr. FILNER):

H. Res. 90. A resolution congratulating Lovie Smith of the Chicago Bears and Tony Dungy of the Indianapolis Colts on becoming the first African-American head coaches of National Football League teams to qualify for the Super Bowl; to the Committee on Oversight and Government Reform.

By Mr. SALAZAR:

H. Res. 91. A resolution demanding the return of the U.S.S. Pueblo the United States Navy from North Korea; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 14: Mr. FRELINGHUYSEN and Mr. TIAHRT.

H.R. 19: Mr. KNOLLENBERG.

H.R. 25: Mr. DAVID DAVIS of Tennessee.

H.R. 65: Mr. STARK.

H.R. 81: Mr. HAYES.

H.R. 89: Mr. MCINTYRE.

H.R. 114: Mr. REYNOLDS.

H.R. 135: Mrs. NAPOLITANO.

H.R. 172: Ms. CASTOR and Ms. MOORE of Wisconsin.

H.R. 180: Mr. MICHAUD, Mr. WYNN, Mr. GRIJALVA, and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 190: Mr. WALBERG and Mr. GOODE.

H.R. 192: Mr. PLATTS.

H.R. 195: Mr. MILLER of Florida.

H.R. 207: Mr. CROWLEY, Mr. MCDERMOTT, Mr. FARR, and Mr. CONYERS.

H.R. 211: Mrs. LOWEY and Mr. DAVID DAVIS of Tennessee.

H.R. 251: Mr. TIM MURPHY of Pennsylvania, Mr. GILLMOR, Ms. SHEA-PORTER, Mrs. LOWEY, and Mr. GALLEGLY.

H.R. 277: Mr. CARNAHAN and Ms. SHEA-PORTER.

H.R. 303: Mr. WEXLER, Mr. MCINTYRE, and Mr. YOUNG of Florida.

H.R. 312: Ms. ROS-LEHTINEN.

H.R. 346: Mr. DELAHUNT, Mr. CALVERT, Mr. MILLER of Florida, and Mr. LANGEVIN.

H.R. 359: Mr. FILNER, Mrs. CAPPS, Ms. LORETTA SANCHEZ of California, Mr. LANTOS, Mr. UDALL of Colorado, Ms. LEE, Ms. MOORE of Wisconsin, and Ms. ZOE LOFGREN of California.

H.R. 369: Ms. WOOLSEY and Ms. BERKLEY.

H.R. 373: Mr. PENCE.

H.R. 374: Mr. PENCE.

H.R. 379: Mr. PENCE.

H.R. 404: Mr. CARTER.

H.R. 418: Mrs. LOWEY, Mr. HINOJOSA, and Mr. UPTON.

H.R. 439: Ms. CASTOR, Ms. WATSON, and Mr. BUTTERFIELD.

H.R. 473: Mr. GOODLATTE.

H.R. 477: Mr. ABERCROMBIE, Mr. GONZALEZ, Mr. ALLEN, Mr. TERRY, Mr. LYNCH, Mr. GEORGE MILLER of California, Mr. GRIJALVA, Mr. GORDON, Mr. WEXLER, Mr. MCGOVERN, Mr. KENNEDY, Mr. WEINER, Mr. LANTOS, Mrs. JONES of Ohio, and Mr. PAYNE.

H.R. 493: Mr. WEINER, Mr. OBERSTAR, Mr. PALLONE, and Mr. MCGOVERN.

H.R. 511: Mr. LAHOOD, Mr. HENSARLING, Mr. SHADEGG, Mr. POE, Ms. FOXX, Mr. SMITH of Nebraska, Mr. NEUGEBAUER, Mr. DAVID DAVIS of Tennessee, Mr. BISHOP of Utah, Mr. DENT, Mr. HASTERT, Mr. GERLACH, and Mr. INGLIS of South Carolina.

H.R. 526: Ms. SUTTON.

H.R. 562: Mr. LEWIS of Kentucky.

H.R. 579: Mr. KUHL of New York, Mr. HAYES, Mr. LINCOLN DAVIS of Tennessee, Mr. RYAN of Ohio, Mrs. MALONEY of New York, Mr. ETHERIDGE, Mr. FARR, Mr. DEFAZIO, Mr. TAYLOR, Mr. MCINTYRE, Mr. KILDEE, Mr. FATTAH, Mr. DELAHUNT, Mr. BISHOP of Utah, Mr. CONYERS, Mr. BOUCHER, Mrs. CAPPS, Mr. GEORGE MILLER of California, Mr. GENE GREEN of Texas, and Mr. FRANK of Massachusetts.

H.R. 582: Mr. BUTTERFIELD and Mr. PAYNE.

H.R. 592: Mr. ROTHMAN and Mrs. MALONEY of New York.

H.R. 599: Mr. DANIEL E. LUNGREN of California and Mr. BILIRAKIS.

H.R. 617: Ms. WASSERMAN SCHULTZ, Mr. BOYD of Florida, and Ms. CORRINE BROWN of Florida.

H.R. 627: Mr. ROSS and Ms. ESHOO.

H.J. Res. 14: Mr. BLUMENAUER, Mr. FORTUÑO, and Mr. MCGOVERN.

H.J. Res. 19: Mr. BURTON of Indiana, Mr. GRAVES, and Mr. JONES of North Carolina.

H. Con. Res. 7: Mr. DOYLE.

H. Con. Res. 21: Mr. AL GREEN of Texas, Mr. GERLACH, Mr. CARDOZA, WAMP, Mr. WEXLER, Mr. FRANKS of Arizona, Ms. WASSERMAN SCHULTZ, Mr. CANNON, Mr. SMITH of New Jersey, Mr. LOBIONDO, Mrs. EMERSON, Mr. MARIO DIAZ-BALART of Florida, Mr. LINCOLN DIAZ-BALART of Florida, Ms. SCHWARTZ, Mr. ACKERMAN, Mr. PALLONE, Mr. ISRAEL, Mr. FILNER, Mr. RODRIGUEZ, Mr. SIRES, Mr. BISHOP of New York, and Mrs. DAVIS of California.

H. Con. Res. 37: Mr. BURTON of Indiana, Mr. GINGREY, Mr. JONES of North Carolina, and Mr. POE.

H. Res. 16: Mr. SCOTT of Virginia.

H. Res. 41: Mrs. MALONEY of New York and Mr. COURTNEY.

H. Res. 51: Mr. STUPAK.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 65: Mr. TANNER.

H.R. 217: Mr. CROWLEY.

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PROCEEDINGS AND DEBATES OF THE 110th CONGRESS, FIRST SESSION

Vol. 153 WASHINGTON, TUESDAY, JANUARY 23, 2007 No. 13

Senate

The Senate met at 10 a.m. and was called to order by the Honorable JON TESTER, a Senator from the State of Montana.

PRAYER

The PRESIDING OFFICER. Today's prayer will be offered by former Senate Chaplain Dr. Lloyd Ogilvie of Los Angeles, CA.

The guest chaplain offered the following prayer:

''Wait on the Lord; take courage, and He shall strengthen your heart. Wait, I say, on the Lord.''

Gracious God, Sovereign of our Nation, Lord of our lives and source of inspiration and courage for the high calling of political leadership, the bracing admonition of the psalmist sounds in our souls. Wait on You Lord? That is not easy for us to do. Then we realize that waiting on You is not for You to catch up with us to bless what we have already decided but for us to linger in Your presence until we think Your thoughts, experience Your love, will to do Your will, and receive Your supernatural guidance for the great issues we face. Thank You for stopping us in our tracks, capturing our minds, quieting our stress-strained emotions, and interrupting our flow of words with Your Word, ''Be still and know that I am God.''

Father, we need You more than our next breath and we depend on You more than the thump of our next heartbeat.

We really believe there is no problem too big for You to solve, no division so complex that there is no solution through creative compromise, and no struggle for political power that You cannot turn into a stepping stone.

On this day of the State of the Union Address, bless our President as he speaks and the Members of Congress as they listen, that unified by patriotism, they may lead our beloved Nation through this turbulent time. We thank You for the patriotic Americans who lead this Senate: ROBERT BYRD, HARRY REID, MITCH MCCONNELL, DICK DURBIN, and TRENT LOTT. We wait on You. Grant us courage and strengthen our hearts. You are our Lord and Savior. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JON TESTER led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 23, 2007.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JON TESTER, a Senator from the State of Montana, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. TESTER thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

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

WELCOME BACK TO REVEREND OGILIVIE

Mr. REID. Mr. President, it is very good to have back Reverend Ogilivie, our former Senate Chaplain. A lot of thoughts came to my mind. I sat here for 6 years and listened to almost every one of his prayers. My mind goes back to some of the tragedies that had come to the Senate during his tenure, including the death of Governor Carnahan, the death of Paul Wellstone, and the death of Paul Coverdell. I mention Paul Coverdell because I traveled to his funeral in Georgia, and the Chaplain at that time, Chaplain Ogilivie, delivered the eulogy and was in charge of the services there in Georgia. I will always remember the dignity, compassion, and the understanding in the words of Reverend Ogilivie. It is good to have you back. Thank you very much for all you do for our country. I am sure you are doing good things in California, as you did here for so many years.

Mr. MCCONNELL. Mr. President, if the majority leader will allow me an observation about Dr. Ogilivie and his extraordinary service to this body and to the Nation, it was truly exemplary. I know I speak for all of the Members on this side of the aisle when I say to Dr. Ogilivie, thank you for your years of service here. It is wonderful to see you again.

SCHEDULE

Mr. REID. Mr. President, this morning, we will be in a period of morning business for 60 minutes. The first half of the time will be under the control of the Republicans and the second half of the time will be under the control of the Democrats.

Following morning business, we will resume consideration of H.R. 2, the minimum wage bill. We will be in recess today from 12:30 to 2:15 for the party luncheons. As I indicated, we have two cloture motions that have been filed. The first vote, on line-item veto, will take place tomorrow. If cloture is not invoked, we will then proceed to a vote on the underlying bill, which is S. 2.

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

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There have been a number of amendments filed and that is very good. We are looking at a number of them closely to see if we can schedule a vote on one of them sometime this morning.

Looking at the schedule, we are going to have a couple of votes Friday morning, and everyone should understand that. The only way I can see that we will not have votes Friday morning is if we can figure out a way to finish minimum wage on Thursday. That is certainly possible. I am impressed with the seriousness of the amendments that have been offered. To this point, five amendments have been offered, and we certainly could complete this bill this week if we put our minds to it. I hope we can do that. If we cannot, it will spill over into next week. I am not sure that is good; we have so many things that we have to do. I have had a number of conversations with the Republican leader and we are going to have debate on Iraq. We are going to make that as meaningful as possible. We are going to work together to see if we can limit the subject matter of the debate on Iraq. We hope we can do that. We also have other things that are facing us down the road, not the least of which is stem cell research and negotiation on Medicare. But more importantly, we have to make sure the Government has money after February 15. That is something, again, I have had a number of conversations on with the distinguished Republican leader. The Appropriations Committee, with Democrats and Republicans, has worked very well on that. Senator COCHRAN has been fully engaged and all of the subcommittee chairs and ranking members have been engaged.

I think we are at a point where we have a pretty good idea of the subject matter of the CR. There will be no earmarks, zero, not a single earmark on the CR. That is what we have agreed upon. Senator MCCONNELL agrees with that, as I do, and the two appropriating bodies agree with that. So we are going to move forward on the CR. It is not going to be fun. I have been an appropriator here for many years, as has Senator MCCONNELL. We like to do the regular process, but in my opinion we cannot get to that unless we get the CR out of the way and work on the budget and get the appropriations bills done.

It is my goal to work very hard to get the appropriations bills done this year. It has been done before and we can do it again. It has been done under Republican leadership and under Democratic leadership in the Senate. We have been working on it on a bipartisan basis. I think we can get it done.

As a reminder, first-degree amendments must be filed at the desk by 2:30 p.m. this afternoon.

RECOGNITION OF THE REPUBLICAN LEADER

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

CLOTURE

Mr. MCCONNELL. Mr. President, let me focus my remarks on the second cloture vote that will occur tomorrow. Were cloture to be invoked on what is generally referred to as a ''clean minimum wage,'' the bipartisan compromise that has been put together between Senator BAUCUS and Senator GRASSLEY and Senator ENZI and others would be wiped out. So I think it is extremely important to mention to Members, those who would like to continue to go forward on a bipartisan basis, if cloture were to be invoked, that would eliminate the possibility of going forward on a bipartisan basis on minimum wage. I hope cloture will not be invoked—the second cloture vote would not be invoked, so that we can proceed with the substitute, which seems to enjoy broad, bipartisan support in the Senate.

I yield the floor.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 60 minutes, with Senators permitted to speak therein for up to 10 minutes each, with the first half of the time under the control of the minority and the second half of the time under the control of the majority.

The Senator from Oregon is recognized.

HEALTH CARE

Mr. SMITH. Mr. President, it is always an exciting time when a new Congress takes its oath of office and the President comes to Capitol Hill to give his State of the Union Address. It is a time when our Nation takes its pulse and checks its health.

As we contemplate what the President might say and the agenda that this Congress might pursue, it occurs to me that this is a good time to express what I hope will be a priority of this Congress, and it relates to health.

I think, undoubtedly, the President will focus some of his remarks on Iraq. That continues as a major focus of public attention and a legitimate cause of its concern. But I think the American people would also very much appreciate our turning our focus to home, on things that affect the lives of everyday Americans and their families and on their individual concerns.

There is probably no greater individual concern than health care. I do hope the President will address health care because I know moms and dads are addressing it every day.

There are three issues I would like to speak to as it relates to health care, to what I hope will be a focus of the 110th Congress.

When I think of health care in this Congress, the issues that come to mind are stem cells, mental health, and the uninsured. When I think of stem cells, I immediately think of some of the most loathesome diseases that affect humankind. Obviously, Parkinson's disease, which has certainly taken its toll in my family; Alzheimer's, which afflicts so many of our seniors and puts incredible burdens upon their caregivers; and diabetes. It is heartrending to meet with children afflicted with diabetes at an early age, that directs them down a path of lifelong suffering and dependence upon injections.

I think of cardiovascular disease. Heart disease is probably our greatest killer as a people. Then, of course, there are those who, through accidents or other causes, suffer spinal cord injuries. All of these terrible afflictions have mystified our best and brightest minds in the scientific community, and yet stem cell research, in all of its forms—embryonic, adult stem cells, and some of the new breakthroughs that have been discovered through amniotic fluid—all hold great promise.

It does seem to me that one of the first steps of this Congress ought to be to return to this debate. The time is now to make progress. The time is now for us as a people to have the vast majority view heard and enacted into law. It is important for the Federal Government to show up to work on this issue. It is important because the Federal Government can provide the seed money. The Federal Government can provide the moral boundaries. The Federal Government can help to provide world leadership on this important biomedical ethical issue.

So as we enter this Congress, I do hope that by large majorities in the House and the Senate, we will pass embryonic stem cell research and further those other avenues in stem cell research that hold out so much promise. I have always believed that an ethic of life includes concern for the living as well. I believe it is time for us to unshackle the hands of our scientists so that we can unlock with the key of science these great mysteries.

Next, Mr. President, I speak of mental health. It has always been troubling to me, but especially in light of my family's history, that physical health is held at one level but mental health has always occupied a subordinate level. Because of the embarrassment and then the shame that attends mental health, a great stigma has attached to this issue, and because stigma attaches to it, society has caused those who suffer debilitating mental health issues not to seek treatment or to hide their afflictions. Yet it seems to me obvious that such issues as schizophrenia, bipolar condition, postpartum depression—it is hard to imagine anyone in this modern day and age who says these are not legitimate afflictions of

humankind. And if they are legitimate, then the Congress of the United States should begin to treat them as legitimate.

It seems to me that in all of its manifestations, these biases against mental health need to be removed. We find them in our statutes relative to Medicaid and Medicare. When it comes to copays, when it comes to reimbursement, the Federal Government has a prejudice against mental health. Why would that be? If you do not have mental health but you have physical health, you do not have health. The mind and body interact in a very direct way, and both are necessary if the American people are to have health.

I do believe the Congress needs to address the biases against mental health. I do believe we should enact mental health parity in insurance law. It is a source of pride to me that my own State of Oregon this past legislative session enacted mental health parity, so that on January 1 of this year, all Oregonians woke up to know that as a matter of law their health care covers mental health as well. And we should do no less as the Federal Government. We need to change this aspect. We need to change it in Medicaid, Medicare, in insurance law, in teaching parity in our medical schools, in our pharmaceutical policies—all of these things must elevate mental health to the same level as physical health.

Another part of mental health, in my own calculation, is a very personal passion of mine; that is, the reauthorization and full funding of the Garrett Lee Smith Memorial Act. There is a plague in this country, an epidemic, if you will, of youth suicide. It begins as depression and sometimes leads to the most tragic of results. It is my hope that this 110th Congress, the House and the Senate, united, will reauthorize and fully fund this great and important act. It is not the whole answer, but it is an important beginning because it incentivizes States to enact prevention and intervention programs—not just States but tribes, colleges, universities—to be able to respond to this issue which is costing the lives of over 3,000 young people a year. I hope we will do that. It is one of the actions the Congress before took which was truly bipartisan, which truly has made a difference in saving hundreds, perhaps thousands, of lives.

Finally, let me speak to access. I think it is a source of some national shame that 46 million Americans are uninsured. It is true that probably half of that number are uninsured by choice. They tend to be young people who would want to spend their money in other ways. But of that 46 million, 9 million of these are children, and that is a national shame.

I believe we need to reauthorize the SCHIP program. SCHIP, along with Medicaid, is one of the central strands in our public safety net. I believe we need to do this because of the 6 million children who are insured by this, some 3 million more are eligible but are not enrolled.

I believe, in addition to this, we need to look at all the good ideas we can find in this Congress to provide insurance coverage for the uninsured. Senator WYDEN of Oregon and I have a proposal for universal catastrophic coverage. We believe that, at least in America, if you lose your health, you should not lose your home.

Mr. President, I believe my time is up. I thank you for the time, and I focus our Nation's attention on a most pressing and urgent family and national urgency, which is health care.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

WASTEFUL SPENDING AMENDMENT

Mr. CORNYN. Mr. President, I rise in support of the amendment pending on the floor, the second look at wasteful spending amendment, otherwise known as the Gregg amendment, after the distinguished Senator from New Hampshire. The truth is, we might call this really the Daschle amendment or the Byrd amendment or the Levin amendment or Murray or Dodd, other Senators who have supported virtually this same proposal on previous occasions. I will explain that more in just a moment.

If we look at this amendment, compared with one offered by the former majority leader, Senator Tom Daschle, when the Democrats were, again, in leadership, we can see how the Gregg amendment corresponds virtually, precisely with the proposal made by then-Democratic majority leader Tom Daschle. It established a fast-track congressional process for consideration of Presidential rescissions. It required congressional affirmation of rescissions. It allowed the President to suspend funds for a maximum of 45 days. It does not permit the President to resubmit rescissions once rejected by the Congress. It allowed rescissions of discretionary funding and targeted tax benefits. It did not allow rescissions of new mandatory programs. That is one area where this differs from the Daschle amendment. The Gregg amendment would permit rescission of new mandatory spending.

I interject, if we are going to get a handle on runaway Federal spending, it is not going to be in discretionary spending alone. We have actually—contrary, perhaps, to popular perception—done a pretty good job limiting nondefense, nonhomeland security discretionary spending. But to paraphrase, that is not where the money is. Where the money is actually in mandatory spending—in entitlement spending, such as Medicare, Medicaid, and Social Security.

So the Gregg amendment quite appropriately addresses rescission of new, not existing, new mandatory spending programs. We can see here that in virtually every respect except two—the one I just mentioned and that only four rescission packages would be permitted annually under the Gregg amendment—there is virtual identity between these two amendments.

Why is this so important? I have to tell my colleagues that as I travel around my State of Texas, there are issues people talk to me about, as with other Members. They are concerned about our lack of border security. They are concerned, obviously, about the war on terror and the way forward in Iraq. But one of the really top three issues that my constituents talk to me about is Federal spending. They worry about the deficit. They worry about the long-term obligation under Social Security and Medicare, a bill that is going to be paid by our children and grandchildren, about the morality of basically putting this burden on their backs in the future. So what this amendment does, this second look at wasteful spending, it allows us to cut out some of the pork, cut out some of the waste in a way that I think responds to this very realistic concern by the American people.

You will note that in 1995, when Senator Daschle offered this amendment, this was, of course, during the Clinton administration—I want to note that—we had 21 Democratic Senators—virtually all of whom, I guess, are still in the Senate—who supported that Daschle amendment. My hope is they would vote for cloture so we can have an up-or-down vote on this Gregg amendment, which, as I showed a moment ago, is virtually identical.

Let's look at some of the quotes back then by distinguished Members of the Senate in support of the Daschle amendment. My hope would be that Senators would remember, perhaps have their recollection refreshed by this exercise in a way that would encourage them to have at least an open mind and possibly even embrace the Gregg amendment today as they did the Daschle amendment back in 1995.

Senator BYRD, the distinguished chairman of the Senate Appropriations Committee, someone who respects congressional prerogative and understands the separation of powers perhaps better than anybody else in this body, said:

> I have no problem with giving the President another opportunity to select from appropriations bills certain items which he feels for his political or for whatever reasons, I have no problem with his sending them to the two Houses and our giving him a vote.

That was on March 22, 1995.

Then there is this comment by Senator FEINSTEIN, the distinguished Senator from California. She said:

> Really, what a line-item veto is all about is deterrence, and that deterrence is aimed at the porkbarrel. I sincerely believe that a line-item veto will work.

What we are talking about, this so-called rescission provision, is in essence a version of the line-item veto, something Presidents have called for in

the past on both sides of the aisle and something I believe, obviously, there has existed bipartisan support for in the Senate.

Then there is Senator DORGAN, who has said:

Fully 43 Governors have the line-item veto, which suggests to me that it is a power that the President can safely wield . . . That is why I voted for it, and why I am pleased it is now the law of the land.

This was back on April 25, 1996.

Of course, we know what happened to the line-item veto. It ultimately was struck down by the U.S. Supreme Court. That is why we have had to come back with this modification of this rescission package in order to address the Court's concerns and to ensure its constitutionality.

Then there is the distinguished Senator from Delaware, Senator JOE BIDEN, who said:

Mr. President, I have long supported an experiment with the line-item veto power for the President.

That was Senator BIDEN on March 27, 1996.

Then there is Senator DODD who has said:

I support the substitute offered by Senator Daschle.

That is the Daschle amendment.

I believe it is a reasonable line-item veto alternative. It requires both Houses of Congress to vote on a President's rescission list and sets up a fast-track procedure to ensure that a vote occurs in a prompt and timely manner.

There are just a couple of more. Mr. FEINGOLD, the Senator from Wisconsin, said this:

The line-item veto is about getting rid of those items after the President has them on his desk. I think this will prove to be a useful tool in eliminating some of the things that have happened in Congress that have been held up to public ridicule.

That obviously goes with the pork spending, the embarrassing earmarks that we have heard so much about from our constituents, particularly leading up to this last election.

Senator MURRAY said:

I want to give the President the ability to line-item veto all those portions of the appropriations bills that have not been through the hearing and authorization process. All those pork items contribute to our deficit.

I think we have one more from Senator DORGAN, but we have already heard from him. There is one last one from Mr. LEVIN, the distinguished Senator from Michigan. He said:

That so-called expedited rescission process, it seems to me, is constitutional and is something which we can in good conscience, at least I in good conscience, support.

My point is obvious, perhaps, but let me, at the risk of beating a dead horse, say it again. If this was good policy back in 1995 and 1996, what has changed in 2007? I submit the only thing that has changed is that our deficit has increased for many years, part of which is porkbarrel spending which can be eliminated with the kind of cooperation that this particular amendment would allow. I suggest to our Democratic colleagues—in the spirit of bipartisanship in which we have started this new Congress with the overwhelming bipartisan passage of an ethics and lobby reform bill and consideration of this minimum wage bill with appropriate relief for small businesses when it comes to regulations and tax relief that will attenuate some of the blow—this is an appropriate amendment for us to consider and pass.

I hope the spirit of bipartisanship does not end so early on in this session of the Senate. I know there are many cynics who believe it will die an early death. I am not one of them. I remain hopeful and optimistic that our colleagues on both sides of the aisle will embrace this opportunity to do the right thing for the people of this great country.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized.

Mr. ISAKSON. Mr. President, how much time is remaining?

The ACTING PRESIDENT pro tempore. Ten minutes.

Mr. ISAKSON. Mr. President, first of all, I commend the Senator from Texas on his remarks. I commend Senator JUDD GREGG on the submission of this amendment. I commend Senator MCCONNELL, the Republican leader, for his insistence on bringing this amendment to the floor of the Senate early. It had been my preference that it be debated during the lobbying reform and ethics bill, S. 1, which we debated last week because the remarks I am going to make tell you how much I think the enhanced rescission and a second look at wasteful spending is so important to end, curb, and finally do away with what has been an abuse in this body for a long time, and that is the abuse of earmarks.

In fact, I want to tell a story. When I first came to the Congress of the United States in 1999, the first budget that I voted on and was passed was a voluminous, huge budget—appropriations bill. It had spending in thousands of different categories, many of which I never even looked at, A, because I was not on the committee that had jurisdiction or, B, because so much of it went into last-minute negotiations in the conference committee on the appropriations bill.

I will never forget a telephone call I got at 8 o'clock in the morning from a reporter, shortly after—about 2 weeks after the passage of an Omnibus appropriations bill. A newspaper reporter called and said to me:

Congressman, why did you vote for a $50,000 appropriation for a tatoo removal parlor in California?

I said:

I didn't vote for any such a thing.

The reporter said:

Yes, you did. Didn't you vote for the Omnibus budget?

I said:

Yes, I did.

The reporter said:

Well, it was right there in clear view.

I said:

Well, it wasn't in clear view to me.

Well, it turned out, after going through that embarrassing experience, which all of us in this business go through from time to time, I started digging around trying to find the $50,000 appropriation for a tatoo removal parlor in California. Finally, I found it. It went into the budget on the appropriations bill on the last night of negotiations. It was on something like page 1186, line 33, in small print. The appropriations act we voted on was put on our desk about 8 hours before we voted on it.

I am not a fast reader anyway, but I couldn't read 1,100 pages in 8 hours. I would go blind. And the fact is, Congress was embarrassed, the Representative who put it in there was very embarrassed, but this Representative was very embarrassed. So I introduced legislation the next year to basically put an end to the last-minute earmark that said the earmark had to be in bold type, large fonts, and on the front page of each appropriations act, and had to lay on the desk for 24 hours to at least give us a chance to look at it.

What Senator GREGG has proposed today is the opportunity for us to not only get a second look, but in the case of a lot of these earmarks a first look, at wasteful appropriations. That is why I thought it should have gone on the previous bill we debated last week, the lobbying reform and ethics bill for, you see, if a President of the United States had gotten that omnibus budget and had the right of rescission, that President could have said: I think we ought to strike the $50,000 for a tatoo removal parlor in California. And under the Gregg proposal, it would come back to the Senate and the House, and we would have to affirm that. I do not think there is a single person in either party, including the author of that earmark 9 years ago, who would not have voted to affirm the President's rescission.

The light of day, sunshine, the power of knowledge, facts are stubborn things. But so often in the appropriations process facts get obliterated or not seen. Appropriations get written in late at night in negotiations between conferees, and we end up with wasteful spending.

This is an outstanding proposal by Senator GREGG. As Senator CORNYN has said, and others who have spoken today have said, it actually reflects what has been approved by Members of both parties in this Senate before. But it makes good, common, horse sense and passes the constitutional test, which is so important.

The President gets four times a year to send rescissions to the Congress. The Congress has to fast-track its response within 8 days. The Congress has to affirm the rescission, which is the

key point in the balance of power between each of the bodies of Government that are so important to our Constitution. It does not give a President unilateral authority, but it forces the light of day on a Presidential decision for us to take a second look at what was probably a mistake that this body might have made.

Lastly, I have had some experience with this process. I had the privilege of representing the great State of Georgia for 17 years in its statehouse, in its State senate. At the time I was in the minority, and the Democratic Party in Georgia was in the majority. A dear friend of mine, a fellow against whom I ran for Governor of Georgia in 1990, and who came to this Senate, Zell Miller, and whom I later replaced in this Senate, a great Georgian—I watched him use the line-item veto, which is legal in Georgia, to cause accountability on the part of legislators, to let the light of day shine on appropriations and, most importantly, to see to it that Georgia was run in a fiscally sound way and we didn't get away with things that we should not have gotten away with.

If it is good enough for the States, it is good enough for the Federal Government. If it passes the constitutional test of the division of power in our Government—legislative, executive, judicial—it ought to be a part of the body of law, and this proposal does.

Most important of all, although all the promotion pieces I have read call this a second look at the budget process, in many cases because of the volume it gives us, as individuals, a first look at a mistake we made. Instead of current law, where once that mistake is made it is there, under this right of recision we have a second chance at what was a first impression, and we can make the right decision and do the right thing.

The money, when it is struck, goes where it ought to go—to deficit reduction. This country has a serious deficit problem, and it has had a serious spending problem. Enhanced rescission places the responsibility on the President to delineate a mistake and forces us to affirm if that, in fact, was a mistake, and the benefit from that savings goes to reduce the deficit, which is the mortgage on our children's future and the future of our grandchildren.

I am delighted to come to the floor today as a cosponsor of the enhanced rescissions amendment proposed by Senator GREGG to speak in its favor, and I encourage every Member of the Senate to take a second look at this proposal.

It makes sense. It is constitutional. It is the right thing to do.

I yield the floor.

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

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

The assistant legislative clerk proceeded to call the roll.

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

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

IRAQ

Mr. DURBIN. Mr. President, there is one moment each year when America comes together, when the leader of our country, our President, in his State of the Union Address, speaks of our experience in the past, our history, and his vision of our Nation's future. It is a rare moment on Capitol Hill, House and Senate together on a bipartisan basis, the Supreme Court, the Cabinet, the diplomatic corps. It is quite a festive and historic—sometimes solemn—gathering. Tonight will be an opportunity for us to gather again for the State of the Union Address. I am looking forward to it.

It comes at a moment in American history when there is a strong emotion across this country, a strong feeling about the war in Iraq. It is a feeling that was made even more intense by the events of this last weekend where we lost so many of our brave soldiers: a helicopter crash from the sky, lives were taken on the ground. At the end of the day, we had lost 3,059 of our best and bravest soldiers, marines, airmen, and sailors in this war in Iraq.

The President will speak of many things this evening. That is his responsibility—from energy to health care to education and beyond. But the issue most dominant in the minds of America is the issue of Iraq. It was certainly the most dominant issue in the November election when the message came through loudly and clearly that it was time to change, it was time for America to step back and reassess our role in Iraq and where we go from here.

Since that election, many important things have happened. The Secretary of Defense, Donald Rumsfeld, resigned, replaced by Robert Gates. The military leadership in Iraq was changed and the President came forward, after a time of deliberation, with his own proposal. That proposal, which we heard a little over a week ago, called for adding more troops in the theater of war in Iraq, some 21,000 more Americans, to join the 144,000 soldiers who are there today.

Most of us have spoken publicly about that in disagreement with the President: our belief that the escalation of the number of troops in Iraq is the wrong way, the wrong direction for our Nation; our belief that 21,000 soldiers cannot stop the civil war that has 14 centuries of fighting behind it; and our belief that 21,000 American lives are too many to ever lose in this kind of dangerous situation.

The President, undoubtedly, will speak to Iraq this evening and the American people will listen closely. But that is not the end of the conversation. The conversation will continue in the Senate where men and women representing States, as I have the honor to do in representing Illinois, will engage for the first meaningful debate on the war in Iraq in more than 4 years since we passed the use-of-force resolution.

Circumstances have changed dramatically. Reading the resolution today, one would wonder if it even justifies our current presence because it spoke of removing Saddam Hussein, dealing with weapons of mass destruction, stopping the march of nuclear weapons into Iraq. We now know all of those things were either wrong in that original resolution or have become moot by the events that have transpired.

There is an effort underway to make sure this debate on Iraq represents the bipartisan feeling of America, represents the fact that there are Democrats and Republicans and Independents who feel intensely that the current strategy, the current plan the President is pursuing is not the right plan.

The first resolution will be considered by the Foreign Relations Committee this week and is sponsored by Senators BIDEN and LEVIN on the Democratic side and Senator HAGEL on the Republican side.

Yesterday, there was another resolution brought to the attention of the American people, introduced by three Members I respect. Senator JOHN WARNER, former chairman of the Committee on Armed Services, a Republican Senator from Virginia, the lead sponsor, Senator BEN NELSON, a Democrat from Nebraska, and Senator SUSAN COLLINS, a Republican from Maine, are about to introduce a resolution that clearly expresses the sense of Congress about this strategy in Iraq. Much has been written about it. The resolution should speak for itself because these Senators, two Republicans and a Democrat, resolve:

> That it is the sense of Congress that—
>
> (1) the Senate disagrees with the ''plan'' to augment our forces by 21,500, and urges the President instead to consider all options and alternatives for achieving the strategic goals set forth below with reduced force levels than proposed.

The important thing about these resolutions, though they are different in wording, is they all reach the same conclusion. The conclusion is the President's policy, the escalation or augmentation, virtually the same word, is the wrong way to move in Iraq today.

I hope at the end of the day we can come together on a bipartisan basis, that we can cooperate in finding ways to blend these resolutions so we do speak as much as possible with a common bipartisan voice in the Senate. We need to call for the kind of change in the President's policy that the American people asked for in this election.

Our call is not based on politics but based on reality—the reality of the deaths which American troops have endured in this conflict and the reality of the war on the ground, a war which becomes more serious and more violent by the day.

We know the military experts have disagreed with the White House for a long time. GEN Eric Shinseki in 2003, as Army Chief of Staff, said we would need many more troops than the administration was prepared to send and more allies to secure peace ultimately in Iraq. Not only did the administration ignore General Shinseki's advice, they invited him to leave. We now know he was the one who had the insight they should have followed.

General Abizaid, the commander of all our forces in Iraq and Afghanistan, has told us that every divisional and corps commander in the theater has told him we should not send more troops. That is what the President has chosen to do despite this advice from his top generals. General Abizaid testified before Congress that he is convinced that:

> . . . more American forces prevent the Iraqis from doing more, from taking more responsibility for their own future.

General Abizaid and others have also repeatedly stated that the solution to the violence in Iraq is not military, it is political. We have to turn to Prime Minister Maliki and his Cabinet to make the political decisions which will make the difference.

General Abizaid is not alone. The Iraqis themselves appear to agree with his conclusion. Iraqi Prime Minister Nuri al-Maliki stated on November 27 last year:

> The crisis is political, and the ones who can stop the cycle of aggravation and bloodletting of innocents are the politicians.

The Iraqi Prime Minister has said what he needs most is weapons and equipment, not American soldiers. When Prime Minister Maliki met with President Bush in Jordan in November, he didn't ask for more American troops; rather, he said he needed support by way of equipment and weapons. In fact, Prime Minister Maliki suggested we should reduce the presence of American troops in his country. The President has done just the opposite.

A United States official was quoted as saying that ''The message in Amman was that Maliki wanted to take the lead and put an Iraqi face on it. He wanted to control his own forces.''

The answer to all of Iraq's problems is not simply to deliver more American soldiers. But American weaponry and equipment can be helpful. President Bush has disagreed. Although he steadfastly said as the Iraqis stand up, our forces will stand down, exactly the opposite has occurred. As the Prime Minister of Iraq has offered to stand up more forces to defend his own country, the President of the United States has said we are going to send 21,000 more of our best and bravest into the face of danger.

Our troops have fought brilliantly and courageously. Over the weekend, Senator JOHN MCCAIN, a man whom I respect and count as a friend, made a statement on one of the talk shows, I believe it was ''Meet the Press,'' that he felt the resolutions we were debating were a vote of confidence on whether we trusted America's troops to get the job done. As much as I respect Senator MCCAIN, I could not disagree more. This vote is not about our faith in our troops. Trust me, if a vote came to the Senate on our commitment and respect for our American military service men and women, it would be 100 to 0. We all stand in awe and admiration of the contributions they have made to our country and the courage they show every day. We have confidence that given an assignment that can be physically accomplished, they will do it better than any military force in the world.

But the debate is not over our troops. The debate is over the President's policy. Those troops didn't write the policy that sent too few troops to Iraq initially. Those soldiers didn't write the requisitions to send humvees that have become, sadly, opportunities for roadside bombs to maim and kill our soldiers. Those troops didn't make the critical decisions about disbanding the Iraqi Army. They didn't make the political decisions along the way. They did their duty. And they continue to do so.

What we are debating here is the policy decisions being made by this administration, and a larger and larger number of Democratic and Republican Senators are speaking out that these decisions have been wrong and that the President's plans continue to make the wrong decision.

The Iraq Study Group was a bipartisan effort to try to find a way through this, to come out with a plan that will work so we can truly bring our troops home successfully. They talked about the fact that adding more troops would not be a good move. In fact, bringing troops home should be our goal. They established the date of April 1, 2008, for most of those troops to be gone. And they called for something that this administration continues to ignore: They called for a surge in diplomacy—not a surge in the military but a surge in diplomacy.

Baker and Hamilton, a Republican and a Democrat, with credentials of real experience at the highest levels of our Government, said it is time for us to open a dialog with the Syrians and with the Iranians about the stability of the Middle East and to try to find common ground. There are no guarantees of success with diplomatic dialog, but there is a guarantee that if you don't try, you won't succeed.

Sadly, this administration has refused to try at the diplomatic level. Their responses continue to be military when we know time and again the solution is political within Iraq and diplomatic outside Iraq.

The Baker-Hamilton study group issued its report. It was received cordially by the White House and then ignored. Many Members believe we should return to it, begin the redeployment of American forces, start them coming home, as Prime Minister al-Malaki has asked, start moving the Iraqis into a position of more responsibility and leadership, call on the al-Malaki government in Iraq to make the political concessions to try to bring an end to the sectarian strife, the civil war that has caused all this violence and continues to on a day-to-day basis.

There is one thing we should stop and assess as well. That is the real cost of this war. I have come to the floor of the Senate many times and talked about $2 billion a week that is not being spent in America, $2 billion being spent on this war. I voted for the money to support our troops, and I will continue to, but we have to be honest about the costs of the war. Our Defense bill for the coming year, according to the Wall Street Journal last week, may top $600 billion. That figure does not include the extra $100 billion in emergency appropriations that Congress will soon be asked to vote on to sustain current operations in Iraq and Afghanistan.

The costs of the war in Iraq have been extraordinary, whether measured in dollars or human lives. I went through a long list last week of what we could have done in America with $400 billion, the $400 billion we have spent in Iraq, what we could have done by way of extending the opportunity for health care and health insurance to millions of Americans currently uninsured, offering to pay for college education for students coming out of high school who are accepted at the best colleges. All of these things could have been done and weren't done because, instead, we have invested the money in this war.

The administration's view is, we will continue with no end in sight to spend these dollars at great expense to America and lost opportunities to our people. An open-ended commitment, as this administration has suggested, means these costs are also open-ended. It is time to break this cycle, to address our real security needs in America, to implement the 9/11 recommendations at some expense but, really, to protect our people from any future possible terrorist attack. The bipartisan resolution that will come before the Senate in the coming days states that our goal in Iraq should be to maximize our chances of success. An open-ended commitment of U.S. forces in Iraq reduces these chances rather than increasing them. Here in the safety and comfort of Washington, we owe to it our troops not to forget that today they stand in danger risking their lives.

Soon we will vote on whether we support the escalation of the war that the President has called on. Let no one confuse that issue with the question of whether we support our troops, whether we have confidence in our troops.

Let me make something else clear: The resolution we are debating is not a vote of confidence on the President,

nor on the troops. It is about a policy. It is a deliberation about a policy and a strategic decision. That is why we are here. That is why we were elected. We cannot shy away from that responsibility. We all support our men and women in uniform. But like a majority of Americans, we also support the changes in policy that will lead to the redeployment of U.S. forces, ultimately bringing them home to safety.

That is the change that was called for in the last election. That is the new direction that is needed at this point in our history.

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

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

The bill clerk proceeded to call the roll.

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

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

Ms. SNOWE. Mr. President, I ask unanimous consent to proceed as in morning business.

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

COMPLIANCE ASSISTANCE FOR SMALL BUSINESSES

Ms. SNOWE. Mr. President, I wish to take this opportunity to discuss an amendment that is pending before the Senate, which was offered by the ranking member of the committee, Senator ENZI, which I have introduced along with Senators ENZI and LANDRIEU. It is a bipartisan amendment to enhance compliance assistance for small businesses. Before I address the amendment, I wish to make a few comments about the minimum wage package we are currently considering on the floor.

I thank the leadership on both sides of the political aisle for working together to develop a bipartisan consensus to raise the minimum wage. From the outset, Senator REID and Senator MCCONNELL set a bipartisan tone in forging a path to increasing the minimum wage. I also thank Chairman KENNEDY and the ranking member, Senator ENZI, for working together to develop this bipartisan legislation as well. I think this is a very encouraging beginning to the 110th Congress and hopefully a time we can reach across partisan divides to enact meaningful legislation.

I also commend Chairman BAUCUS of the Finance Committee, along with Senator GRASSLEY, for working to draft the small business tax package that is also incorporated in the minimum wage bill. It was especially refreshing to see both Chairman BAUCUS and Ranking Member Grassley working so closely together to forge a compromise that addresses concerns on both sides of the aisle.

By enacting the minimum wage, we will accomplish a legislative win-win by increasing the minimum wage but also at the same time providing small businesses with significant tax and regulatory relief in a way that does not add to our Nation's deficit. That is a great example of the social and fiscal responsibility we must embrace.

Small business tax and regulatory relief and increasing the minimum wage do not have to be mutually exclusive. I believe it is time to raise the minimum wage. It is certainly long overdue, since the last time the minimum wage was raised was back in 1997. Given the significant increases in the cost of living since then, most notably the rise in prices in housing, energy, and health care, families need to support themselves, and they certainly cannot do it on less than $11,000 annually.

I am deeply concerned as well about the widening wage gap in America, which is creating a burgeoning economic divide when it comes to income. As the chart behind me shows—and I think it is very important because hopefully one of the priorities in this Congress will be to explore policies that will narrow the wage gap in America—according to the latest census data, in 2005, a household in the 90th percentile earned $114,000 more—or 11 times as much—than a family in the 10th income percentile. Moreover, income for households at the top has grown over the last 30 years, while income for households at the bottom has remained flat.

A recent BusinessWeek article reported that increasing the minimum wage to $7.25 an hour could raise the pay for 16 percent of the Nation's workforce. So I am unequivocally supportive of this initiative. I also believe, as the ranking member of the Small Business Committee and previously chair of the committee, that we need to balance the minimum wage increase with a robust package of small business tax and regulatory reform to relieve many of the burdens small businesses continue to face.

The fact is, small business is the engine that is driving the economy. It is the one segment of the economy that is actually creating jobs. Three-quarters of all of the net new jobs are created by a small business; therefore, it is in our interest to make sure we can guarantee for the future that this segment of the economy is going to continue to create jobs and to restore the long-term economic vitality of small businesses.

Over the past 20 years, which is the subject of this amendment today, the number and complexity of Federal regulations has multiplied at an alarming rate. In 2004, for example, the Federal Register contained 75,675 pages, an all-time record, and 4,101 rules. These rules and regulations impose a much more significant impact on smaller businesses than larger businesses. As illustrated by the chart behind me, it demonstrates unequivocally the disproportionate burden borne by small businesses versus large corporations in order to absorb the impact of more regulations and more rules. It illustrates the conclusion found in a recent report that was prepared by the Small Business Administration's Office of Advocacy that said in 2004 that the per-employee cost of Federal regulations for small businesses with fewer than 20 employees was $7,647. In contrast, the per-employee cost of Federal regulations for firms with 500 or more workers was $5,282. This results in a 44-percent increase in burden for smaller businesses compared to their larger counterparts. Clearly, we must find ways to ease the regulatory burden for our Nation's small businesses so they may continue to create jobs and drive economic growth.

As the leading Republican on the Small Business Committee, I continue to hear from small businesses across the country, in addition to my home State of Maine, which is essentially a small business State where 98 percent of all employers are small businesses. But to give an example of the impact of the regulatory burden, I cite one company, Hammond Lumber Company, which faces the increased cost of regulatory compliance. It is a shining example of the American dream come true. It has been a family-owned company for three generations. They have been thriving in the State of Maine and serving not only Maine but all of New England for more than 50 years. It grew from a company of 41 employees in 1976 to over 300 employees in 2006. Hammond Lumber exemplifies the tremendous spirit of the American entrepreneur. It also demonstrates the pivotal role small businesses play in creating jobs and driving our Nation's economy. However, as Hammond Lumber has grown, so has its regulatory burden. In 1976, its total regulatory cost per employee equaled $98. Last year, it was $441 per employee. I had the opportunity to tour the company. I talked to the owners and talked to the employees. Unquestionably, it is a thriving company. They told us that the burden they were enduring as a result of the regulatory compliance was clearly having adverse consequences.

So we need to level the playing field for small businesses and make it easier for them to comply with complex regulations. All too often, small businesses don't maintain staff, don't have the financial resources to comply with Federal complexities, rules, and regulations. This places them at a disadvantage compared to larger companies. It also reduces the effectiveness of the agency's regulations. If the agency cannot describe how to comply with its regulations, how can we expect a small business to figure it out? That is why I have offered this amendment, along with Senator ENZI and Senator LANDRIEU, which would clarify the small business requirement that exists under Federal law.

Our amendment is drawn directly from recommendations put forward by the GAO and is intended only to clarify an already existing requirement which

passed unanimously in the Senate, became law, back in 1996 when we passed the model legislation to ease the impact on small businesses with respect to the Federal bureaucracy creating rules and regulations. That legislation that became law was intended to ensure that the Federal Government and all of the agencies consider the impact to small businesses of these proposed rules and regulations.

One of the most important provisions of this act was a requirement that Federal agencies work to produce compliance assistance materials to help small businesses satisfy their regulatory obligations. Unfortunately, the GAO has discovered that Federal agencies have ignored these requirements or failed miserably in their attempt to satisfy them. GAO also discovered that the language of the act is unclear in some places about what is actually required of small businesses. Consequently, small businesses were forced to figure out all these complicated regulations on their own. Obviously, this makes compliance that much more difficult to achieve. So my amendment is drawn specifically and directly from the GAO. It clarifies when a small business compliance guide is required, how a guide shall be designated, how and when a guide shall be published, and that the agency make the guide available on the Internet. These are commonsense, good government reforms, which will provide major relief for small businesses at virtually no cost to the Federal Government.

I think it is very important that this amendment be adopted because all too often we have discovered—as underscored by GAO in their recent report—that the agencies find ways or discover loopholes to circumvent the requirement. It is that much easier because they don't want to have to bother to help small businesses comply with regulations, and they use the rationale—or the excuse, I might say—of the ambiguity in law that doesn't allow them to be clear or to provide the assistance directly to small businesses. So we want to remove the ambiguity and we want to be sure that the amendment as represented here today, which would be translated into the statute, will be abundantly clear and specific in terms of how the agencies are going to allow small businesses to comply with these regulations, with the assistance that could be provided by these agencies as well.

I think it is also important to stress that this amendment does not place any additional arduous requirements on small businesses. There are no additional enforcement measures. We are just saying that this is important to clarify, so that agencies don't have an excuse for avoiding compliance with this regulation and also providing assistance to small businesses, and doesn't undercut an agency's ability to enforce its regulation to the fullest extent they currently enjoy.

Furthermore, this amendment was introduced in the form of a bill that enjoyed broad bipartisan support. It was also included last year in the Small Business Reauthorization Act that was unanimously reported out of the Senate Small Business Committee in the 109th Congress. This isn't any new ground. It is straightforward. It will help small businesses, which are doing so much to create jobs in our economy. Frankly, we ought to do more for small businesses. I think this is a sector of our economy which we have overlooked and ignored.

There are so many resources that we could make available to small businesses for a minimal cost that I think could leverage job creation throughout this country. I know, in working with the new chair of the Small Business Committee, Senator KERRY, that we are going to look to the future to see what kind of programs we can build upon, what kind of efforts we can make that can help small businesses thrive and flourish and create the jobs that so many parts of our country desperately need and require.

I am looking forward to working with Chairman KERRY in that regard, also with Chairman BAUCUS and the Senate Finance Committee because the underlying bill includes some very significant tax relief measures. Unfortunately, they will expire in the future. In the short term, in some cases, such as small business expensing, I think we have to consider ways to make that expensing requirement permanent because small businesses clearly deserve to have continuity of that provision and the certainty that it is going to be there.

I applaud Chairman BAUCUS for undertaking this initiative as the first action as chair of the Finance Committee in the markup, and it clearly is going to go a long way toward helping to bolster a very significant part of our economy, and that is, of course, small business growth.

We want to do more, we should do more, and we can do more.

Again, I urge Members of the Senate to support this amendment.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

FAIR MINIMUM WAGE ACT OF 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of H.R. 2, which the clerk will report.

The bill clerk read as follows:

A bill (H.R. 2) to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

Pending:

Reid (for Baucus) amendment No. 100, in the nature of a substitute.

McConnell (for Gregg) amendment No. 101 (to amendment No. 100), to provide Congress a second look at wasteful spending by establishing enhanced rescission authority under fast-track procedures.

Enzi (for Snowe) amendment No. 103 (to amendment No. 100), to enhance compliance assistance for small businesses.

Sessions amendment No. 106 (to amendment No. 100), to express the sense of the Senate that increasing personal savings is a necessary step toward ensuring the economic security of all the people of the United States upon retirement.

Sessions amendment No. 107 (to amendment No. 100), to impose additional requirements to ensure greater use of the advance payment of the earned income credit and to extend such advance payment to all taxpayers eligible for the credit.

Sessions amendment No. 108 (to amendment No. 100), to authorize the Secretary of the Treasury to study the costs and barriers to businesses if the advance earned income tax credit program included all EITC recipients.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

AMENDMENT NO. 103, AS MODIFIED

Mr. KENNEDY. Mr. President, if I can have the attention of the Senator from Maine, what I would like to do now is to ask that the amendment be modified with the modification that is at the desk, if that is agreeable with the Senator.

Ms. SNOWE. It certainly is.

The ACTING PRESIDENT pro tempore. Without objection, the amendment is modified.

The amendment (No. 103), as modified, is as follows:

At the appropriate place, insert the following:

SEC. ____. ENHANCED COMPLIANCE ASSISTANCE FOR SMALL BUSINESSES.

(a) IN GENERAL.—Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by striking subsection (a) and inserting the following:

''(a) COMPLIANCE GUIDE.—

''(1) IN GENERAL.—For each rule or group of related rules for which an agency is required to prepare a final regulatory flexibility analysis under section 605(b) of title 5, United States Code, the agency shall publish 1 or more guides to assist small entities in complying with the rule and shall entitle such publications 'small entity compliance guides'.

''(2) PUBLICATION OF GUIDES.—The publication of each guide under this subsection shall include—

''(A) the posting of the guide in an easily identified location on the website of the agency; and

''(B) distribution of the guide to known industry contacts, such as small entities, associations, or industry leaders affected by the rule.

''(3) PUBLICATION DATE.—An agency shall publish each guide (including the posting and distribution of the guide as described under paragraph (2))—

''(A) on the same date as the date of publication of the final rule (or as soon as possible after that date); and

''(B) not later than the date on which the requirements of that rule become effective.

''(4) COMPLIANCE ACTIONS.—

''(A) IN GENERAL.—Each guide shall explain the actions a small entity is required to take to comply with a rule.

''(B) EXPLANATION.—The explanation under subparagraph (A)—

''(i) shall include a description of actions needed to meet the requirements of a rule, to

enable a small entity to know when such requirements are met; and

''(ii) if determined appropriate by the agency, may include a description of possible procedures, such as conducting tests, that may assist a small entity in meeting such requirements, except that, compliance with any procedures described pursuant to this section does not establish compliance with the rule, or establish a presumption or inference of such compliance.

''(C) PROCEDURES.—Procedures described under subparagraph (B)(ii)—

''(i) shall be suggestions to assist small entities; and

''(ii) shall not be additional requirements, or diminish requirements, relating to the rule.

''(5) AGENCY PREPARATION OF GUIDES.—The agency shall, in its sole discretion, taking into account the subject matter of the rule and the language of relevant statutes, ensure that the guide is written using sufficiently plain language likely to be understood by affected small entities. Agencies may prepare separate guides covering groups or classes of similarly affected small entities and may cooperate with associations of small entities to develop and distribute such guides. An agency may prepare guides and apply this section with respect to a rule or a group of related rules.

''(6) REPORTING.—Not later than 1 year after the date of enactment of the Fair Minimum Wage Act of 2007, and annually thereafter, the head of each agency shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Small Business of the House of Representatives, and any other committee of relevant jurisdiction describing the status of the agency's compliance with paragraphs (1) through (5).''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 211(3) of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 601 note) is amended by inserting ''and entitled'' after ''designated''.

Mr. KENNEDY. Mr. President, I will take a moment or two to thank the Senator from Maine and thank the Senator from Wyoming. If one will take a few moments and look through this amendment and the modification, they will understand what the good Senators have been talking about. It talks about posting to make sure the information is going to be available to small businesses. It talks about distribution, to make sure there is going to be a generous distribution. It talks about a timely distribution, so we are not going to have a final date, and then the Agency is going to delay in terms of posting and distribution.

It explains what is necessary for small businesses to be able to comply with the rules and the regulations. It doesn't affect those regulations that have been set and established. And it makes the requirement that it be put in plain English language so that any person is able to understand what is intended and what the rule is covering, and then it has the provision to inform Congress, the appropriate committees, as to what they have done over previous years.

This makes a lot of good sense. I commend the Senator from Maine and the Senator from Wyoming, and my colleague, Senator KERRY, who has been involved in this effort, and Senator LANDRIEU as well. I am very grateful to all of them for working with us. This is a very useful and extremely important and valuable addition to the legislation.

I know the Senator from Pennsylvania is desirous to address the overall issue. Mr. President, as I understand it, under the previous order, at noontime, we are going to vote on this amendment; is that correct?

The ACTING PRESIDENT pro tempore. There is no order to that effect.

Mr. KENNEDY. As I understand, shortly, there will be, I expect. At the appropriate time, we will ask for the yeas and nays. We intend to have the vote, for the information of offices, at that time.

I see both the Senator from New Hampshire and the Senator from Pennsylvania are here.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

AMENDMENT NO. 112

Mr. SUNUNU. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I call up amendment No. 112 and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, the clerk will report.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. SUNUNU] proposes an amendment numbered 112.

Mr. SUNUNU. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To prevent the closure and defunding of certain women's business centers)

At the appropriate place, insert the following:

SEC. ____. RENEWAL GRANTS FOR WOMEN'S BUSINESS CENTERS.

Section 29 of the Small Business Act (15 U.S.C. 656) is amended by adding at the end the following:

''(m) CONTINUED FUNDING FOR CENTERS.—

''(1) IN GENERAL.—A nonprofit organization described in paragraph (2) shall be eligible to receive, subject to paragraph (3), a 3-year grant under this subsection.

''(2) APPLICABILITY.—A nonprofit organization described in this paragraph is a nonprofit organization that—

''(A) has received funding under subsections (b) and (l); and

''(B) is not eligible under the programs under such subsections for the first fiscal year after the end of the period of financial assistance under subsection (l).

''(3) APPLICATION AND APPROVAL CRITERIA.—

''(A) CRITERIA.—The Administrator shall develop and publish criteria for the consideration and approval of applications by nonprofit organizations under this subsection.

''(B) NOTIFICATION.—Not later than 60 days after the date of the deadline to submit applications for each fiscal year, the Administrator shall approve or deny any application under this subsection and notify the applicant for each such application.

''(4) AWARD OF GRANTS.—

''(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall make a grant for the Federal share of the cost of activities described in the application to each applicant approved under this subsection.

''(B) AMOUNT.—A grant under this subsection shall be for not less than $90,000 and not more than $150,000, for each year of that grant.

''(C) FEDERAL SHARE.—The Federal share under this subsection shall be not more than 50 percent.

''(D) PRIORITY.—In allocating funds made available for grants under this section, the Administrator shall give applications under this subsection priority over first-time applications under subsection (b).

''(5) RENEWAL.—The Administrator may renew a grant under this subsection for additional 3-year periods, if the nonprofit organization submits an application for such renewal at such time, in such manner, and accompanied by such information as the Administrator may establish.''.

Mr. SUNUNU. Mr. President, this is an important debate and important discussion, especially in regard to the points made by Senator SNOWE of Maine; that is, if we raise the minimum wage, we need to understand both the potential impact on small businesses and recognize those small businesses are creating most of the job opportunities in our country. They fuel our economy. Over the long term, as those smaller entrepreneurial firms grow, they provide support for a growing wage base, for benefits, and for support of the families who depend on those small businesses for their jobs.

I welcome her amendment that deals with small business regulation. It is an important step in the right direction, and I certainly hope it continues to receive bipartisan support in the Senate. I think many of the provisions that are in the substitute that deal with support for small business will receive bipartisan support.

Senator SNOWE also mentioned the importance of tax treatment for small business investments and capital spending, and that they be allowed to expense that, in turn, allowing them to find additional resources to continue that pattern of investment.

The amendment I have called up also deals with the issue of small business, entrepreneurship and job creation and a small, but important, program in our Government called the Women's Business Centers. There are about 100 Women's Business Centers across the country. There is one in Portsmouth, NH, that was among the very first created in the United States, and it deals with a range of issues from providing an incubator for women entrepreneurs just starting out a firm, to providing training and counseling, support for marketing services, information about Government procurement, so many of the issues that have already been addressed on the floor.

What this amendment does is to simply ensure that those high-performing Women's Business Centers that have continued to serve a strong, important

clientele and have supported entrepreneurship and investment in their community continue to be eligible for funding.

Under the current restrictions, some of those centers, after 5 years of sustainability grants, lose the opportunity for additional funding. My amendment would create a new program within the WBC program that allows those centers to apply for a 3-year continuation of Federal funding, provided they continue to meet high standards, serve their clients effectively, and attract sources of funding from the community.

I think it is a reasonable approach, one that makes sense. Look at the great example that has been set in Portsmouth. With the limited amount of Federal funding and other community resources, in the past year, it has served over 1,300 individual entrepreneurs. That, as we like to say in Washington, is real leverage, real performance.

This does not require additional funding. It is a straightforward way to ensure that an important need continues to be met and that this bill has the appropriate balance and support for the small business community.

I commend the work of the Senator from Maine, for her work on small business generally within the Small Business Committee. This is something they have tried to address before and the Senate has supported in the past. I hope it is something that will continue to receive bipartisan support.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, with regard to the amendment of the Senator from New Hampshire, it seems by both the explanation and a first look, this is something that will be very useful and valuable. If the Senator will work with us—I am not prepared, at this time, to recommend the amendment, but we will work on it with him and indicate what our position is in the very near future. But it certainly seems, trying to give some focus and attention to small businesses that are initiated by women, to make a good deal of sense, and it is subject to an authorization, so there is no point of order.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire.

Mr. SUNUNU. Mr. President, I thank the chairman for his comments. Obviously, I just called up the amendment. I don't expect him to endorse it wholeheartedly. I think he will find he has supported it in the past and many in the Chamber have supported it in the past and it is worthy of our consideration.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

AMENDMENT NO. 115 TO AMENDMENT NO. 100

Mr. KYL. Mr. President, I seek recognition for the purpose of laying down an amendment and not speaking to it. I ask unanimous consent that the pending amendment be laid aside for that purpose.

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

Mr. KYL. Mr. President, I send to the desk an amendment that deals with extending some current provisions and adding additional provisions to assist small businesses to pay for a minimum wage increase, should one be adopted. I will speak to this later. I appreciate others allowing me to lay it down.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. KYL] proposes an amendment numbered 115 to amendment No. 100.

Mr. KYL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To extend through December 31, 2008, the depreciation treatment of leasehold, restaurant, and retail space improvements)

On page 4, line 21, strike ''April 1, 2008'' and insert ''January 1, 2009''.

On page 6, lines 5 and 6, strike ''April 1, 2008'' and insert ''January 1, 2009''.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. CASEY. Mr. President, I rise today in support of H.R. 2 which, as we know, will increase the minimum wage from $5.15 an hour to $7.25 an hour. I thank my colleague, Senator KENNEDY, and the bipartisan work that went into developing this issue.

I speak today of an issue which I believe is one of economic justice. Those earning the minimum wage have not had an increase in 10 years. We should ask ourselves today not only about the information in the bill and the data, as important as that is, we should ask ourselves who are these Americans who have not had an increase in 10 long years?

Most, of course, we know are adults working full time. In fact, in my home State of Pennsylvania, 71 percent of the workers whose wages would be raised directly by an increase in the minimum wage are adults ages 20 and older.

Also, these Americans in many cases are women. Sixty percent of those who would be affected by an increase in the minimum wage are women, working every day to make ends meet, to support their children. In fact, if the minimum wage is raised, 6 million children will benefit.

Recently, the Children's Defense Fund reported that a single parent working full time at the current minimum wage of $5.15 an hour earns enough to cover only 40 percent—just 40 percent—of the cost of raising children.

Those who earn the minimum wage are not people who are connected to the wealthy and the powerful. They don't have high-paid lobbyists in Washington advocating for them. No, these people are Americans who lead quiet, triumphant lives of struggle and sacrifice, overcoming hardships and setbacks every day. They do hard work, very hard work, such as the waitresses we see every day carrying heavy trays, on their feet hour after hour, as they dream of a better life for themselves and for their children. And at the end of a long day, these Americans return to work and go home at the end of a long day often exhausted, often working not one job but two jobs or three, and the dignity of their labor gives meaning to their lives. We know, and they would tell us that if they were standing here today next to me. So that work they do gives meaning to their lives without a doubt.

But no one, no matter how hard they work, can keep pace with the avalanche of cost increases we have seen over the last 10 years. Let me take my colleagues through a couple of those cost increases.

Since 1997, congressional pay has increased 24 percent, about $31,000. This has occurred while the value of the minimum wage has been eroded by 20 percent.

Let me say that again: Congressional pay up 24 percent, the value of the minimum wage down 20 percent. We cannot say that enough. The cost of living is up 26 percent, the cost of food up 23 percent, the cost of housing up 29 percent, the cost of gasoline up over 130 percent, the cost of health care up 43 percent. Families who are listening to this today know this. The average premium for a family of four costs over $10,000, almost $11,000, which is more than a minimum wage worker earns in a year.

The cost of raising a child since 1997 has increased 52 percent; the cost of educating those children has risen 61 percent; the cost of heating a home has increased by 120 percent.

What we are talking about here is an issue, indeed, of economic justice. Raising the Federal minimum wage will give our workers more than $4,000 per year. Let's consider what that could buy for a family in America. You can buy almost 2 years of childcare with over $4,000, full tuition at a community college, 2 years of health care, 1 year of groceries, 1½ years of heat and electricity, and 8 months of rent. That is how we affect, in a positive way, people's lives, the lives of hard-working men and women in America today.

Those who argue against an increase in the minimum wage will say that an increase will hurt small business and/or the economy. I do not agree with that because if you look at the data, when the minimum wage was increased in 1997, what happened in the aftermath? Millions and millions of jobs were created and raising the minimum wage did not slow that down one iota.

Recently, over 650 economists issued a statement calling for an increase in

the minimum wage. We do not have time today to go through that, but it is an important statement from leading economists in America. With an increase in minimum wage, employers will get a lot in return: higher productivity they will get with an increase in the minimum wage; lower turnover; and, of course, increased worker morale.

Mr. President, you know as well as I do that more than 28 States now have increased the minimum wage, including my home State of Pennsylvania. In July of this year it will increase to $7.15 an hour, as a result of State legislation. That should not have had to take place. The Federal Government long ago—we are years overdue on this—should have taken the responsibility for increasing the minimum wage, but that did not happen here in Washington. There were other priorities, other interests, more powerful interests that took precedence.

More than 400,000 Pennsylvanians will be affected positively by an increase in the minimum wage. I am thinking of them today as I am of families across America who will be affected positively by an increase in the minimum wage. Yes, I do believe that small businesses across Pennsylvania and America do need help. However, in my judgment, based upon the people to whom I have spoken in my State, the No. 1 priority or the No. 1 burden faced by small business owners, men or women, is the cost, the crushing cost of health care. We need to deliver health care relief to those small businesses, and that as well is long overdue, because those small business owners and their workers deserve the same kind of economic justice I talked about today.

I fervently urge support for this legislation, and I appreciate this time.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank my friend from Pennsylvania for speaking in favor of this minimum wage amendment. This was an issue, I know, out in the State of Pennsylvania during the course of the campaign. Senator CASEY was resolute in his commitment to the working families in his State and I am very grateful for his comments and strong support for this issue.

As I understand it, we expect Senator GRASSLEY is going to speak to the Senate, and my friend and colleague from Hawaii, Senator AKAKA, is going to address the Senate. We are working out the consent agreement for the time for the vote. It had initially been set tentatively for noontime. Now, I want to tell our colleagues, it is going to be after the caucuses. We are working out the final time and we will make that announcement in a very few moments. But for the information of our colleagues, and their schedules, we will not be voting prior to the caucuses. We will be voting after the caucuses and we will be more precise in a very short period of time.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I want to address two aspects of this legislation because they are necessarily connected. One is, obviously, the increase in the minimum wage. The other one is the small business tax provisions that have come out of the committee Senator BAUCUS chairs and on which I am the ranking member, the Finance Committee. I want to deal with the minimum wage part of this issue first.

Popular support for raising the minimum wage is based on a number of widely held beliefs: First, that no one can support a family at $5.15 an hour; second, minimum wage earners will not get a pay raise unless Congress gives them one; and third, raising the minimum wage helps millions of poor workers and hurts no one.

Unfortunately, these popular beliefs are in some cases misleading and in some cases outright wrong. First, minimum wage earners are not trying to support a family—or you might argue a small percentage of them are trying to support a family, but I want to say why most are not. Those who are, of course, can get additional benefits through Government programs to supplement family income; thus, no one has to rely solely on the minimum wage to support a family.

Second, minimum wage jobs are generally entry level jobs. Most workers who start at the minimum wage quickly earn more. Few workers remain stuck at the minimum wage for very long and, unfortunately, those who do are most at risk of losing their jobs from a minimum wage increase.

Third, the benefits of a minimum wage increase do not go exclusively to poor families. Only 15 percent of the proposed minimum wage increase would go to those living below the poverty level, as an example. Increasing the minimum wage would result in higher prices for consumers of minimum wage products, higher unemployment among the least skilled minimum wage workers—and that particularly affects minority groups within our country—increased poverty among minimum wage families, and in some cases it could be a combination of these three things I mentioned.

Much of the popular support for the minimum wage is based on a fallacy, that the Government can help the poor without hurting anyone else. But if the Government can increase wages with no ill effects, then why stop at $7.25, as is currently proposed? Why not make it $10.25? Why not make it $20.25, or even more? The fact is, this does have limited impact and it does have some negative consequences, so that is why these occasional increases are justified.

Popular support for increasing the minimum wage is tempered by the fact that virtually everyone agrees that there is some level at which the minimum wage would produce obvious negative effects. In the past, policymakers have attempted to mitigate any negative effects by limiting the size of the minimum wage increase, providing tax credits to employers who hire at-risk workers, and providing tax or regulatory relief to business generally, particularly small businesses.

However, additional research in recent years has cast some doubt on the effectiveness of these previous efforts. First, research suggests raising the minimum wage does not reduce poverty among minimum wage earners. Instead, it most likely increases poverty.

Second, legislative action by various States to adopt their own higher minimum wage has led to significant differences within our 50 States.

Third, research shows that the earned income tax credit could provide a cost-effective way to help poorest workers and be more effective than even increasing the minimum wage.

I am pleased that over the last few years we have enhanced the earned income credit for many families by making the child tax credit refundable. That is through the work of the Senate Finance Committee.

Before I go on to my next point I would say parenthetically there are studies that have been updated quite frequently over the last 20 or 25 years, where economists have followed people in quintiles: the lowest, the second, you know, for five quintiles from the lowest income up to the highest income. Following people over a period of years, they have been able to study the mobility of the American worker. In other words, once you are in the workforce, most people work themselves up the economic ladder—some way up, some part way up. But we find that only about 2 percent of our population seems to be stuck in the lowest quintile of income for long periods of time—a very small percentage. But other people go from the second quintile—from the first to the second to the third, and we also find that there is a larger percentage of our population that moves up from the lower two quintiles into the third or the fourth quintiles—a lot more rapidly and with a lot more mobility than we find people moving from the fourth to the top. While there are some people moving down from the highest to a lower quintile, history proves the mobility of the workforce in America is very much upward.

Despite some serious policy concerns, public support for increasing the minimum wage remains strong. That is why the Senate is taking up a minimum wage increase. The political reality is a majority of Senators support a minimum wage increase.

So a lot of economists would make an argument that you should not have any increase in the minimum wage at all and that the mistakes, going back to the 1930s, were mistakes; that you should not interfere with the marketplace. But Congress has decided for 70 years to do that. We are in the process for doing it. Regardless of the economic arguments, as long as this is a

political issue, without a doubt, from time to time it is going to be raised and I suppose you could make an argument that, as long as it is political it ought to be raised, or else you should not even have a minimum wage.

Now I would go to the tax incentive portions we hope stay in this bill when it goes to the other body. Tax incentives targeted to small business and other businesses impacted by a minimum wage increase have been linked to the minimum wage legislation. We have done this in the past decade. Democrats have at times joined Republicans supporting this language.

I would quote from two former chairmen on this committee in their opening remarks on the conference agreement on the last piece of legislation that went through this body to raise the minimum wage. Senator Roth, then the chairman of the committee, described taxes as the sand that grinds the gears of small business. So he saw merit in small business tax relief as a separate matter. Senator Roth went on to say:

> [We will] proceed to the legislation on the minimum wage and small business taxes. We're anxious to move ahead on the small business tax legislation.

Senator Moynihan, who at times was chairman of the committee and at times the ranking Democrat, said, at the same time Senator Roth was speaking:

> My distinguished chairman, as always, has so stated the facts. But there is a small semantic issue here. Some call this a small business relief act; others on this side call it the minimum wage bill. But we will not resolve that tonight, nor need we.

Now, the next time the Senate deals with this, about 8 or 9 years since we last dealt with it, it is still the same issue. Senators Roth and Moynihan were right then, and if they were still living today, I would tell them they are right now.

To different groups of Senators, these topics carry their own benefits or burdens. Many on my side don't like the idea of second-guessing the labor market with a federally mandated minimum wage. I pointed out some of the related issues that should give us pause, arguments put forth by economists when considering this legislation, that it is not all positive.

Many on the Democratic side want a straight minimum wage hike and refuse to consider the burden that policy puts on employers and workers. Those Members do not want any linkage between the minimum wage policy and small business tax relief. As Senator Moynihan said, however, we don't have to agree now whether the upcoming legislation will be a minimum wage or a small business tax relief bill.

Some, mostly Democrats, will call it a minimum wage bill. Some, mostly Republicans, will call it a small business tax relief bill. Still others will call it both a minimum wage and small business tax relief bill. President Bush, like President Clinton, the last President who signed an increase in the minimum wage bill years ago, will recognize both parts of the package. If my friends on the other side review the statement made by President Clinton, they will see that he saw merit in small business tax relief.

Our Committee on Finance chairman, Senator BAUCUS, recognizes the linkage. I told him Republicans will insist on a small business tax relief package. He, in his cooperative way, as I hope I have been cooperative with him in the past, has heard us. Some in his caucus, their labor union friends and sympathetic ears of the east coast media, attacked Senator BAUCUS—which I don't understand—for recognizing a basic reality, as Senator Moynihan and Senator Roth worked together a decade ago to do, to see that there is some negative impact on small business from an increase in the minimum wage so you ought to offset that with some benefit to small business through the tax portions of the legislation.

Those folks who are criticizing Senator BAUCUS don't have the responsibility to find the middle ground and evidently think we can get a bill through the Senate that can get the votes without finding the middle ground. It can't be done.

Now, if I were chairman—and I am not chairman, and I am not crying about that—I would have tilted this package a little bit more toward the depreciation incentive and less toward the work opportunity tax credits. The reality is, Republicans don't have a majority on the Committee on Finance or in the full Senate, so chairman BAUCUS has struck a balance between majority Democrats and minority Republicans.

I will assist Senator BAUCUS in defending the tax relief package that goes for the offsets and the revenue-losing provisions. We should not disturb the core structure of this package. I am hopeful, however, that we will improve the package by enhancing the package on the depreciation side, as Senator KYL has suggested. It is important these incentives coincide with the time when the minimum wage increase will take effect. In seeking this objective we will need to find appropriate offsets, obviously. There may be other improvements.

The bottom line is the Committee on Finance package is a well-known set of small business tax relief measures, things we have done before—extending, mostly. These proposals have merit by themselves, but a minimum wage increase is not likely to pass the Senate without them. I hope everyone understands that.

As many know, I am a working family farmer. For farmers, fields look familiar because we work our fields every year. This linkage, then, to put a commonsense touch on it, is that the linkage between minimum wage and small business relief is a familiar feel. I can quote Roth and Moynihan ad infinitum to prove it. It is not something new that is coming up with Baucus and Grassley. We have plowed this ground before. This is well-known common ground.

I referred to President Clinton in a signing ceremony about 10 years ago. That legislation was founded on a small business tax relief package twice this size. I emphasize it was twice the size of what people are complaining about now that we are presenting to the Senate. It was supported at that time by many seeking cloture on the bill that is before the Senate.

President Clinton singled out the work opportunity tax credit and the depreciation proposals in his remarks. My friend, Senator KENNEDY, attended the signing ceremony and was recognized by President Clinton for the great product they brought to President Clinton. And John Sweeney was recognized, the head of the AFL–CIO.

I ask unanimous consent the remarks be printed in the RECORD.

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

THE WHITE HOUSE,
OFFICE OF THE PRESS SECRETARY,
August 20, 1996.

REMARKS BY THE PRESIDENT AT SIGNING OF THE SMALL BUSINESS JOB PROTECTION ACT OF 1996

The President: Thank you very much. Cathy, it may be your birthday, but I would say that everybody feels that you have given us a great gift today by reminding us about what this is all about. And we wish you and your fine children well. And I don't think being in the band will hurt them a bit. I'm glad you're going to do that. (Laughter.)

I want to thank the members of our administration who are here—Secretary Reich, Small Business Administrator Phil Lader and others. I want to thank all the members of Congress who are here, especially Senator Kennedy who, himself, probably broke the wage in hour laws by working so hard to pass this bill. If we'd been paying him by the hour we'd be underpaying him in the last year. Thank you very much. (Applause.)

There are a lot of people who worked hard on this bill who aren't here—Senator Daschle, Congressman Gephardt, Congressman Bonior, Congressman Clay, in particular did. I want to join with others and thank the countless labor unions who have championed this bill, led by the truly tireless John Sweeney. (Applause.)

I'd like to remind the American people of something, because sometimes our unions are criticized for looking out for their members too much. There are very few unions in America that have minimum wage workers. Most of these unions did this because they thought it was the right thing to do. They spent their time and their money and their energy trying to help other people who do not belong to their organization, and I thank you for that. (Applause.)

I'd like to thank the religious groups, the economists, the business people who have made this their cause of concern. Again, I thank the members, including members of both parties, who supported this legislation.

I'll say more in a moment about the rest of the bill, but let me just begin by saying this is a truly remarkable piece of legislation. It is pro-work, pro-business and pro-family; it raises the minimum wage; it helps small businesses in a number of ways that I will

explain in a moment, including retirement and incentive to invest; and it promotes adoption in two very sweeping ways that have long needed to be done in the United States. This is a cause for celebration for all Americans of all parties, all walks of life, all faiths. This bill represents the very best in our country.

It will give 10 million Americans, as Cathy said, a chance to raise stronger families and build better futures. By coming together across lines that have too often divided us and finding common ground, we have made this a real season of achievement for the people of America.

At its heart, this bill does reaffirm our most profoundly American values—offering opportunity to all, demanding responsibility from all, and coming together as a community to do the right thing. This bill says to the working people of America: If you're willing to take responsibility and go to work, your work will be honored. We're going to honor your commitment to your family, we're going to recognize that $4.25 an hour is not enough to raise a family.

It's harder and harder to raise children today and harder and harder for people to succeed at home and at work. And I have said repeatedly, over and over again to the American people: We must not force our families to make a choice. Most parents have to work. We have a national interest in seeing that our people can succeed at home where it counts the most in raising their children, and succeed at work so they'll have enough income to be able to succeed at home. We must do both, and this bill helps us achieve that goal. (Applause.)

These 10 million Americans will become part of America's economic success story. A success story that in the last four years has led us to 900,000 new construction jobs; a record number of new businesses started, including those owned by women and minorities; a deficit that is the smallest it's been since 1981, and 60 percent less than it was when I took office; 10 million new jobs; 12 million American families who have been able to take advantage of Family and Medical Leave; almost 4.5 million new homeowners and 10 million other Americans who refinanced their homes at lower mortgage rates. And, most importantly of all, perhaps, real hourly wages, which fell for a decade, have finally begun to rise again. America is on the move. (Applause.)

But our challenge, my fellow Americans, is to make sure that every American can reap the rewards of a growing economy, every American has the tools to make the most of his or her own life, to build those strong families and to succeed at home and at work. As the Vice President said, the first step was taken in 1993 with the passage of the Family and Medical Leave Law and with the Earned Income Tax Credit, which cut taxes for 15 million working families. Today, that earned income tax credit is worth about $1,000 to a family of four with an income under $28,000 a year.

Well, today, we complete the second half of that effort. Together with our tax cut for working families, this bill ensures that a parent working full-time at the minimum wage can lift himself or herself and their children out of poverty. Nobody who works full-time with kids in the home should be in poverty. If we want to really revolutionize America's welfare system and move people from welfare to work and reward work, that is the first, ultimate test we all have to meet. If you get up every day and you go to work, and you put in your time and you have kids in your home, you and your children will not be in poverty. (Applause.)

We have some hard working minimum wage people here today supporting Cathy. Let me tell you about them. Seventy percent of them are adults, six of 10 are working women, and for them, work is about more than a paycheck, it's about pride. They want a wage they can raise their families on. By raising the minimum wage by 90 cents, this bill, over two years, will give those families an additional $1,800 a year in income—enough to buy seven months of groceries, several months of rent, or child care. Or, as Cathy said, to pay all of the bills from the utilities in the same month.

For many, this bill will make the difference between their ability to keep their families together and their failure to do so. These people reflect America's values, and it's a lot harder for them than it is for most of us to go around living what they say they believe in. It's about time they got a reward and, today, they'll get it. (Applause.)

I would also like to say a very special word of thanks to the business owners, especially the small business owners who supported this bill. Many of the minimum wage employers I talk to wanted to pay their employees more than $4.25 an hour and would be happy to do so as long as they can do it without hurting their businesses, and that means their competitors have to do the same thing. This bill will allow them to complete and win, to have happier, more productive employees, and to know they're doing the right thing. For all of those small businesses, I am very, very appreciative. (Applause.)

I would also like to say that this bill does a remarkable number of things for small businesses. In each of the last three years, our nation has set a new record in each succeeding year in the number of new businesses stated. And we know that most of the new jobs in America are being created by small- and medium-sized businesses. In 1993, I proposed a $15,000 increase in the amount of capital a small business can expense, to spark the kind of investment that they need to create jobs. Well, in 1993 we only won half that increase, but today I'll get to sign the second half into law, and I thank the Congress for passing that, as well. (Applause.)

As the Vice President said, this bill also includes a Work Opportunity Tax Credit to provide jobs for the most economically disadvantaged working Americans, including people who want to move from welfare to work. Now, there will be a tightly drawn economic incentive for people to hire those folks and give them a chance to enter the workforce, as well. It extends the research tax credit to help businesses stay competitive in the global economy. It extends a tax incentive for businesses to train and educate their employees. That's good news for people who need those skills, and it's good news for America because we have to have the best educated workforce in the world in the 21st century.

This legislation does even more to strengthen small business by strengthening the families that make them up. It helps millions of more Americans to save for their own retirement. It makes it much easier for small businesses to offer pension plans by creating a new small business 401(k) plan. It also lets more Americans keep their pensions when they change jobs without having to wait a year before they can start saving at their new jobs. As many as 10 million Americans without pensions today could now earn them as a result of this bill.

I'm delighted we are joined today, among others, by Shawn Marcell, the CEO of Prima Facie, a fast-growing video monitoring company in Pennsylvania, which now has just 17 employees—but that's a lot more than he started with. He stood with me in April and promised that if we kept our word and made pensions easier and cheaper for small businesses like his, he'd give pensions to all of his employees. Today, he has told us he's making good on that pledge. I'd like him to stand up, and say I predict that thousands more will follow Shawn's lead. Thank you, Shawn. Please stand up. Let's give him a hand. God bless you, sir. Thank you. (Applause.)

I'd also like to say a special word of thanks to our SBA Administrator, Phil Lader, and to the White House Conference on Small Business. When the White House Conference on Small Business met, they said one of their top priorities was increasing the availability and the security of pensions for small business owners in America. This is a good thing. It is also pro-work, pro-family and pro-business.

Finally, this bill does something else that is especially important to me and to Hillary—and I'm glad she's here with us today. It breaks down the financial and bureaucratic barriers to adoption, giving more children what every child needs and deserves—loving parents and a strong, stable home. (Applause.)

Two weeks ago, we had a celebration for the American athletes who made us so proud in Atlanta at the Centennial Olympics. Millions of Americans now know that one of them—the Decathlon Gold medalist, Dan O'Brien—speaks movingly about having been an adopted child and how much the support of his family meant in his life. Right now, there are tens of thousands of children waiting for the kind of family that helped to make Dan O'Brien an Olympic champion. At the same time, there are thousands of middle class families that want to bring children into their homes but cannot afford it. We're offering a $5,000 tax credit to help bring them together. It gives even more help to families that will adopt children with disabilities or take in two siblings, rather than seeing them split up.

And, lastly, this bill ends the long-standing bias against interracial adoption which has too often meant an endless, needless wait for America's children. (Applause.)

You know, as much as we talk about strong, loving families, it's not every day that we here in Washington get to enact a law that literally creates them or helps them stay together. This is such a day. Although he can't be with us today, I also want to thank Dave Thomas, himself adopted, who went on to found Wendy's and do so much for our country. Perhaps more than any other American citizen, he has made these adoption provisions possible, and we thank him.

Lastly, I'd like to point out that we do have some significant number of adoptive families here with us today, including some who are on the stage. And so I'd just like to acknowledge the Weeks (ph.) family, the Wolfington (ph.) family, the Outlaw (ph.) family, the Fitzwater (ph.) family, and ask them and anyone else here from the adoptive family community to stand up who'd like to stand. We'd like to recognize you and thank you for being here. Thank you all for being here. Thank you. (Applause.)

Beside me, or in front of me now, is the desk used by Frances Perkins—Franklin Roosevelt's labor secretary and the very first woman ever to serve in the Cabinet. She was one of our greatest labor secretaries. It was from her desk that many of America's pioneering wage, hour and workplace laws originated—including the very first 25 cent an hour minimum wage signed into law by President Roosevelt in 1938.

Secretary Perkins understood that a living wage was about more than feeding a family or shelter from a storm. A living wage makes it possible to participate in what she called the culture of community—to take part in the family, the community, the religious life we all cherish. Confident in our ability to

provide for ourselves and for our children, secure in the knowledge that hard work does pay. A minimum wage increase, portable health care, pension security, welfare to work opportunities—that's a plan that's putting America on the right track.

Now, we have to press forward, giving tax cuts for education and child-rearing and child care, buying a first home, finishing that job of balancing the budget without violating our obligations to our parents and our children and the disabled and health care, to education and the environment and to our future. That's a plan that will keep America on the right track, building strong families and strong futures by working together.

For everyone here who played a role in this happy day, I thank you, America thanks you, and our country is better because of your endeavors. God bless you. Thank you. (Applause.)

(The bill is signed.) (Applause.)

Mr. GRASSLEY. President Clinton said in the signing ceremony:

I want to thank all the Members of Congress who are here, especially Senator KENNEDY who, himself, probably broke the wage in hour laws by working so hard to pass this bill.

And then in another place:

There are a lot of people who worked hard on this bill who aren't here—Senator Daschle, Congressman Gephardt—

He went on to name other Members—

led by truly tireless John Sweeney.

And there was applause. Now, some of the same people are objecting to what we are doing now.

Another quote:

I would also like a very special word of thanks to the business owners, especially the small business owners who supported this bill. Many of the minimum wage employers I talked to wanted to pay their employees more than $4.25 an hour and would be happy to do so as long as they can do it without hurting their businesses, and that means their competitors have to do the same thing. This bill will allow them to compete and win, to have happier, more productive employees, and to know they are doing the right thing. For all those small businesses, I am very, very appreciative.

Continuing:

I would also say that this bill does a remarkable number of things for small businesses. . . .[a]nd we know that most of the new jobs in America are being created by small- and medium-sized businesses. In 1993 I—

Meaning President Clinton—

proposed a $15,000 increase in the amount of capital a small business can expense, to spark the kind of investment that they need to create jobs.

As the Vice President said—

Meaning at that time Mr. Gore—

this bill also includes a Work Opportunity Tax Credit to provide jobs for the most economically disadvantaged working Americans, including people who want to move from welfare to work. Now, there will be a tightly drawn economic incentive for people to hire those folks and give them a chance to enter the workforce, as well.

Well, if Senators who were on the stage at that time thought that the work opportunity tax credit was a good thing to have, why isn't it a good thing to have it here, to extend it? Why not?

This is a win-win situation. There is a win for the workers, a win for small business. Why should we chortle over a little thing such as increasing the minimum wage or having a tax provision in it?

The PRESIDING OFFICER (Mr. CASEY). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I ask unanimous consent that at 2:45 today the Senate proceed to a vote on or in relation to Snowe amendment No. 103, as modified, with time from 2:15 to 2:45 equally divided and controlled in the usual form, with no second-degree amendments in order prior to the vote.

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

APPOINTMENT OF COMMITTEE TO ESCORT THE PRESIDENT OF THE UNITED STATES

Mr. KENNEDY. I ask unanimous consent that the Presiding Officer of the Senate be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of the House to escort the President of the United States into the House Chamber for the joint session to be held at 9 p.m. Tuesday.

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

Mr. KENNEDY. Mr. President, I see my friend and colleague from Hawaii wishes to address the Senate on morning business time.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. Mr. President, I ask unanimous consent to speak for 10 minutes as if in morning business.

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

(The remarks of Mr. AKAKA and Mr. KENNEDY are printed in today's RECORD under ''Morning Business.'')

Mr. KENNEDY. Mr. President, we are going to go into a recess in a moment. We will come out of the party caucuses at 2:15. We are working on some additional amendments. The amendments of the Senator from Alabama, the Sessions amendments, we will try to include, if necessary, votes on those issues as well around the 2:45 hour. We are making some progress. We have a shorter evening tonight because of the President's State of the Union, but we want to move this legislation. It is not complicated. Everyone in this body, new Members who have arrived here, understands what the increase in the minimum wage is all about. It is not complex. Is it not difficult. It is not hard to understand. There is no reason we can't move this process quickly. If it is necessary to have votes, we are prepared to move along on those issues.

We have listened this morning to those who believe that raw economic arguments ought to control the question of the minimum wage. We as a country have moved away from that. We have accepted the great traditions of Judeo-Christian teachings as well as the underlying teachings of all the religions that talk about responsibilities we all have for the least among us. In the Constitution of the United States, they have what is called the general welfare clause. The general welfare clause was written into the Constitution for those very purposes.

The fact is, this country has rejected the law of the jungle as it applies to economic conditions for workers. In my State of Massachusetts, we had individuals at the turn of the last century, children, 10, 11, 12 years old, who were working 12, 15 hours a day, 6½ days a week. We had the exploitation of children, of women, the exploitation of workers. We, as a country and a society, have recognized that we can be the strongest economy in the world and treat people with respect and dignity. That is why the members of Let Justice Roll, an extraordinary number of religious leaders representing a wide group of churches, talk about what the Scriptures say about poverty in their letter.

I ask unanimous consent to print the letter in the RECORD.

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

JANUARY 5, 2007.

DEAR MEMBERS OF CONGRESS, We, the undersigned religious leaders, in partnership with the Let Justice Roll Living Wage Campaign, call on the 110th Congress to raise the minimum wage! Let Justice Roll is a nonpartisan coalition of more than 80 faith, community and labor organizations working to raise the minimum wage at the state and federal level. In 2006, we played a major role in increasing the minimum wage throughout the country at the state level.

We strongly support the Miller/Kennedy bill that increases the minimum wage from $5.15 to $7.25 an hour. Furthermore, we strongly oppose any attempts to add provisions to the bill. We urge you to vote for this clean minimum wage bill.

The Prophet Amos proclaims, ''Let justice roll down like waters, and righteousness like an everflowing stream'' (5:24, NRSV). We are morally outraged by the number of people living in poverty in the United States, and believe that now is the time to give hard-working low-wage workers a raise and take the first step toward a true living wage for America's workers.

It has been nearly 10 years since the last federal increase in the minimum wage, and low-wage workers urgently need a raise. A minimum wage employee—making $5.15 an hour, working 40 hours a week, 52 weeks a year, earns about $10,700 a year—about $6,000 below the federal poverty line for a family of three. This situation is unconscionable and immoral, as the wealth of our nation continues to be built on the backs of the working poor. Working poor families in America are struggling to meet the rising costs of health care, gasoline and housing, and $5.15 an hour is simply not enough.

Minimum wage legislation in the past has stalled in Congress because of attempts to attach unrelated provisions such as tying the minimum wage to a repeal of the estate tax, rolling back over-time protections or reducing the minimum wage of tip workers. In addition, such provisions are harmful to the very workers that a minimum wage increase is intended to help. The strong victory on all the minimum wage ballot initiatives is evidence that there is strong and widespread support from Americans for a prompt, clean minimum wage increase at the federal level.

We appreciate the commitment made by the leadership of the 110th Congress to address the woefully inadequate federal minimum wage. We will continue to raise our

voices on behalf of ''the least of these'' and proclaim that a job should keep you out of poverty, not keep you in it.

Signed, Rev. Dr. Paul Sherry, National Coordinator, Let Justice Roll, Cleveland, OH, Rev. Dr. Bob Edgar, General Secretary, National Council of Churches, New York, NY, The Most Rev. Katharine Jefferts Schori, Presiding Bishop, The Episcopal Church, NY, NY, Rev. Jim Wallis, President and CEO, Sojourners/Call to Renewal, Washington, DC, Rev. John H. Thomas, General Minister and President, United Church of Christ, Cleveland, OH, Rabbi David Saperstein, Director, Religious Action Center of Reform Judaism, Washington, DC, Rev. Dr. Roy Medley, Gen. Secretary, American Baptist Churches in the USA, Valley Forge, PA.

Rev. Jennifer Butler, Executive Director, Faith in Public Life, Washington, DC; Mary Ellen McNish, General Secretary, American Friends Service Committee, Philadelphia, PA; Rev. William G. Sinkford, President, Unitarian Universalist Association, Boston, MA; The Rev. Dr. James A. Forbes, Senior Minister, The Riverside Church, New York, NY; The Rev. Clifton Kirkpatrick, Stated Clerk of the Presbyterian Church USA, Louisville, KY; Rev. Dr. Sharon E. Watkins, Gen. Minister and President, Christian Church (Disciples of Christ); Rev. Roy Riley, Chair of the Conference of Bishops and Bishop of the NJ Synod ELCA, NJ; Bishop Thomas J. Gumbleton, Archdiocese of Detroit, MI; Rev. Dr. Stan Hastey, Executive Director, The Alliance of Baptists, Washington, DC; James E. Winkler, General Secretary, United Methodist Church, Gen. Board of Church in Society, Washington, DC; Rev. Michael Livingston, President, National Council of Churches and Executive Director, ICCC, Trenton, NJ; Rev. John L. McCullough, Executive Director, Church World Service; Charlie Clements, President, Unitarian Universalist Service Committee, Cambridge, MA; Rabbi Rebecca Alpert, Temple University, Philadelphia, PA.

Most Reverend Gabino Zavala, Auxiliary Bishop, Archdiocese of Los Angeles, Los Angeles, CA; Rev. Dr. Rita Nakashima Brock, Director, Faith Voices for the Common Good, Christian Church (Disciples of Christ), Oakland, CA; David A. Robinson, Executive Director Pax Christi USA: National Catholic Peace Movement, Washington, DC; Simon Greer, President and CEO, Jewish Funds for Justice, New York, NY; Dr. Michael Kinnamon, Chair, Justice and Advocacy Commission, National Council of Churches, St. Louis, MO; Sr. Catherine McDonnell, OP, Prioress of the Dominican Sister of Hope, Ossining, NY; Rev. Kim Bobo, Executive Director, Interfaith Worker Justice, Chicago, IL; Rev. Tom Youngblood, United Methodist, Decatur, AL; The Rt. Rev. Mark MacDonald, Episcopal Bishop of Alaska and Navajoland, AK; Rev. Trina Zelle, Arizona Interfaith Worker Justice, Tempe, AZ; Rev. Briget Nicholson, Pastor, First Congregational United Church of Christ, Tucson, AZ; Rev. Stephen Copley, President, Arkansas Interfaith Conference, United Methodist Church, North Little Rock, AR; Imam Ali Siddiqui, Corona Valley, CA.

The Rev. Dr. Rick Schlosser, Executive Director, CA Council of Churches, California Church IMPACT, Sacramento CA; Bishop Allan C. Bjornberg, Rocky Mountain Synod, ELCA, Denver, CO; Fidel ''Butch'' Montoya, Minister Confianza, An Association of Latino Ministers, Denver, CO; Sister Maureen McCormack, President, The Interfaith Alliance of Colorado, Denver, CO; The Right Rev. James E. Curry, Bishop Suffragan, Episcopal Diocese of Connecticut, Hartford, CT; Rev. Dr. Davida Foy Crabtree, Conference Minister, Connecticut Conference, United Church of Christ, Hartford, CT; Rev. Dr, William L. Rhines, Jr., Harriet R. Tubman United Methodist Church, New Castle, DE; The Rt. Rev. Philip M. Duncan, II, Bishop, Diocese of the Central Gulf Coast, Pensacola, FL; Rev. John F. Stanton, Associate Priest, Trinity Episcopal Cathedral, Miami, FL; Rev. Charles Buck, Conference Minister, Hawaii Conf. United Church of Christ, Honolulu, HI; The Rt. Rev. Harry B. Bainbridge, III, Bishop, Episcopal Diocese of Idaho, Boise, ID; Bishop Paul R. Landahl, Metropolitan Chicago Synod, Evangelical Lutheran Church in America, Chicago, IL; The Rev. Dr. Larry L. Greenfield, Executive Minister, American Baptist Churches of Metro Chicago, Chicago, IL; Megan M. Ramer, Pastor, Chicago Community Mennonite Church, Chicago, IL; The Rt. Rev. Catherine Waynick, Bishop of Indianapolis, IN.

Rev. Stephen C. Gray, Conf. Minister, Indiana-Kentucky Conference, UCC, Indianapolis, IN; Rev. Dick Clark, Pastor, St. Timothy's United Methodist Church, Cedar Falls, IA; Sr. Joy Peterson, PBVM, President, Sisters of the Presentation of BVM, Dubuque, IA; Rev. David Hansen, Conference Minister, Kansas-Oklahoma Conference, United Church of Christ, Wichita, KS; Rev. Albert M. Pennybacker, Former National Chair, Clergy and Laity Network, Former Natl. President, The Interfaith Alliance, Christian Church (Disciples of Christ), Lexington KY; Sr. Margaret Stallmeyer, CDP, Thomas More College President, Congregation of Divine Providence, Melbourne, KY; Rev. David F. Kniker, Kewanee, LA; Rabbi Darah R. Lerner, Congregation Beth El, Bangor, ME; Rev. David R. Gaewski, Conference Minister, Maine Conference, United Church of Christ, Yarmouth, ME; The Right Reverend Robert W. Ihloff, Episcopal Bishop of Maryland.

Sr. Gayle Lwanga Crumbley, National Coordinator, National Advocacy Center of the Sisters of the Good Shepherd, Silver Spring, MD; The Rev. Dr. Jim Antal, Conference Minister and President, Massachusetts Conference, United Church of Christ, Framingham, MA; Rabbi David Lerner, Temple Emunah, Lexington, MA; Johanna Chao Rittenburg, Economic Justice Program Manager, Unitarian Universalist Service Committee, Cambridge, MA; Rev. Dr. Kent J. Ulery, Conference Minister, Michigan Conference United Church of Christ, East Lansing MI; Lucinda Keils, Executive Director, Detroit Metropolitan Interfaith Committee on Worker Issues, Detroit, MI; Rev. Peg Chemberlin, Executive Director, Minnesota Council of Churches, Minneapolis, MN; Rev. Dr. Karen Smith Sellers, Conference Minister, Minnesota Conference United Church of Christ, Minneapolis, MN; Rev. Charlene B. Burch, Interim Conference Minister, Missouri Mid-South Conference, United Church of Christ, St. Louis. MO; Rev. W. Audrey Hollis, Organizer, St. Louis Area Jobs With Justice, St. Louis, MO.

The Rev. Randall Hyvonen, Conference Minister, Montana-Northern Wyoming Conference, United Church of Christ, Billings, MT; Rev. F. Vernon Wright, Minister, UCC, Helena, MT; Rev. Dr. Dallas Dee Brauninger, Burwell, NE; Mr. David Lamarre-Vincent, Exec. Dir., New Hampshire Council of Churches, Concord, NH; The Rev. Eleanor McLaughlin, Ph.D. Rector, St. Barnabas Episcopal Church, Berlin, NH; The Rev. Bruce H. Davidson, Dir., Lutheran Office of Governmental Ministry in NJ, Trenton, NJ; Frank McCann, Director, Just Neighbors Program, Summit, NJ; The Reverend Elizabeth Purdum, Pastor, St. Luke Lutheran Church, Albuquerque, NM; The Reverend Arthur Meyer, Manager, Pastoral Care Dept, San Juan Regional Medical Center, Farmington, NM; The Rt. Rev. Jack McKelvey, Episcopal Bishop of Rochester, NY.

The Rt. Rev. Catherine S. Roskam, Bishop Suffragan of the Episcopal Diocese of New York; Rev. Ned Wight, Executive Director, Unitarian Universalist Veatch Program at Shelter Rock, Manhasset, NY; Rabbi Jill Jacobs, Director of Education, Jewish Funds for Justice, New York, NY; Rev. Nelson Johnson, Board Chair, Interfaith Worker Justice, Greensboro, NC; Rev. Ginny N. Britt, Director, The Advocacy for the Poor, Winston-Salem, NC; Rev. Dr. Charles R. Traylor, Executive Presbyter, Presbytery of the Northern Plains, Presbyterian Church (USA), Fargo, ND; Rt. Rev. Kenneth Price, Bishop, Episcopal Diocese of Southern Ohio, Columbus, OH; Rev. Callon Holloway, Jr., Bishop for Southern Ohio Synod, ELCA, Columbus, OH.

Rev. Rebecca Tollefson, Executive Director, Ohio Council of Churches, Columbus, OH; Rev. Ron Hooker, Chair of Church in the World Commission, Central-Southeast Association of the Ohio Conference UCC, Columbus, OH; Fr. Clark Sheckelford, Rector, Emmanuel Episcopal, Shawnee, OK; Rev. Robin Meyers, Pastor, Mayflower UCC, Oklahoma City, OK; Rev. John M. Gantt, interim Conference Minister, Central Pacific Conference of the United Church of Christ, Portland, OR; Norene Goplen, Director, Lutheran Advocacy Ministry of Oregon, Portland OR; Gary Straughan, President, Eastern District Executive Board, Moravian Church, Northern Province, Bethlehem, PA; Rev. Sandra L. Strauss, Director of Public Advocacy, Pennsylvania Council of Churches, Harrisburg, PA; Rabbi Gail Glicksman, Dean of Students, Reconstructionist Rabbinical College, Wyncote, PA.

Rev. Christopher H. Bender, Pastor, Dormition of the Theotokos Greek Orthodox Church, Aliquippa, PA; Father Jack O'Malley, Labor Religion Coalition of Western PA; Rev. John Zehring, Kingston Congregational Church, Kingston, RI; Rev. Peter E. Lanzillotta, Ph.D., Minister, The Unitarian Church in Charleston, Charleston, SC; Bishop Craig B. Anderson (VIII South Dakota)—Retired, SD; Rev. Rebekah Jordan, Executive Director, Mid-South Interfaith Network for Economic Justice, Memphis, TN; Dr. Nabil Bayakly, Muslims in Memphis, Memphis, TN; Rev. Janet Wolf, United Methodist Clergy, Hobson United Methodist Church, Chair, Division of Church Vocations, American Baptist College, Nashville, TN; The Reverend Jeff St. Clair, Pastor, New Hope Lutheran Church, EI Paso, TX.

Rev. Tom VandeStadt, Pastor, Congregational Church of Austin United Church of Christ, TX; Linda Hilton, Director, Coalition of Religious Communities, Salt Lake City, UT; Kay Miller, Salt Lake City Police Dept Chaplain, All Saints Episcopal Church, Salt Lake City; The Rt. Rev. Neff Powell, Bishop, Episcopal Diocese of Southwestern Virginia, Roanoke, VA; Rev. C. Douglas Smith, Executive Director, Virginia Interfaith Center for Public Policy, Richmond, VA; Francis X. Doyle, (retired) Associate General Secretary, U.S. Conference of Catholic Bishops, Ashburn, VA; Rev. Paul Benz, Director, Lutheran Public Policy Office of Washington State Don Kelly, Co-chair, UU Voices for Justice, Seattle, WA.

Fr. James E. Hug, S.J, President, Center of Concern, Washington, DC; Rev. Marvin M. Silver, United Church of Christ Justice & Witness Ministries, Washington, DC; Rev. Dr. Ken Brooker Langston, Director, Disciples Justice Action Network, Coordinator, Disciples Center for Public Witness, Washington, DC; Mr. Curtis Ramsey-Lucas, National Coordinator of Public and Social Advocacy, National Ministries, American Baptist Churches USA, Washington, DC; Rev. Elenora Giddings Ivory, Director, Washington Office, Presbyterian Church (USA), Washington, DC; Rev. Romal J. Tune, CEO,

Clergy Strategic Alliances, LLC, Washington, DC; Alexia Kelley, Executive Director, Catholics in Alliance for the Common Good, Washington DC; Rev. Ernest S. Lyght, Bishop, West Virginia Conf., United Methodist Church, Charleston, WV; Rev. Lori Fell, Morgantown, WV; Scott Anderson, Executive Director, Wisconsin Council of Churches, Sun Prairie, WI; Rev. Robert Chapman, Pastor, Mount of Olives Lutheran Church, Rock Springs, WY.

For a complete list of signatories in formation, please visit http://www.letjusticeroll.org/pdfs/20070105NationalMinWageletter.pdf

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I am a member of NETWORK, A Catholic Social Justice Lobby, and I support S. 2, the Fair Minimum Wage Act of 2007—to increase to the minimum wage from $5.15 to 7.25. Long overdue, this bill provides a first step towards a dignified life for low-wage workers in poverty. I urge you to support a ''clean'' bill to raise the federal minimum wage—one that does not attempt to add provisions of any kind and instead allows it to pass as a stand-alone issue.

Catholic Social Teaching reminds us that all persons are created by God, which is the basis for their dignity. In justice and to live with dignity, each human person working full time should be compensated enough to support him/herself and a family. It has been almost ten years since Congress voted to increase the minimum wage. Currently, a minimum wage employee who works 40 hours a week, 52 weeks in a year makes $10,700 for that year. For a single parent with two children, that amount is thousands of dollars below the poverty line. This is unconscionable. Workers who provide security, clean hotels, wash dishes and haul supplies should not have to rely on charity or government assistance to get by. The proposed minimum wage increase to $7.25 an hour (from $5.15/hr.) would give an additional $4,368 per year to a full-time worker making minimum wage. This would bring them a step closer to obtaining a livable wage which would provide for a family's basic needs: food, shelter, health care, clothing, education and recreation.

The minimum wage should be increased without any extra provisions or tax breaks in order avoid establishing such a precedent. Since the last minimum wage increase, congress has passed no fewer than five tax relief packages which have provided small businesses with up to $36 billion in tax breaks. While congress has had no problem providing tax breaks for small businesses without considering raising the minimum wage, it seems impossible for some that the minimum wage be raised without a tax break for small businesses. Given the urgency of the minimum wage increase it is best to avoid linking it to other issues and pass it as a stand-alone ''clean'' bill.

The American people have spoken out on the urgency of this bill. With strong victories in all six minimum wage ballot initiatives this election, voters have shown concern for hardworking people in poverty. People who work full-time should earn enough to support themselves and their families. Consequently, I call on you to act justly, and challenge your other members to do the same. I urge you to quickly pass the minimum wage bill with no extra add-on provisions as it comes up this January.

Mr. KENNEDY. They mention Matthew's great teachings. The questioner says: When did I fail to treat you well? And the Lord says: When you failed to treat the least of these among us.

We are talking about a minimum wage, not an optimum wage. As the charts show, it has declined dramatically over a period of years, now at $5.15, far away from what it was in the 1960s and 1970s, right through the 1980s. We believe that in this country, with the strongest economy in the world, people who work hard 40 hours a week, 52 weeks of the year, should not have to live in poverty. An increase in the minimum wage is long overdue. Hopefully, we will have an opportunity in this body to express our views on this in the near future.

If there are no further speakers, I suggest that we recess, according to the leadership's earlier request.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until 2:15 p.m.

Thereupon, at 12:25 p.m., the Senate recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CARPER).

FAIR MINIMUM WAGE ACT OF 2007—Continued

AMENDMENT NO. 103

The PRESIDING OFFICER. Under the previous order, there are now 30 minutes equally divided on amendment No. 103, as modified. Who yields time?

The Senator from Wyoming is recognized.

Mr. ENZI. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. ENZI. Mr. President, I rise today in support of the amendment offered by Senator SNOWE, Senator LANDRIEU, and others, to provide regulatory assistance to our Nation's small businesses.

This amendment requires that when Federal agencies issue new rules and regulations that impact small business, they also must issue compliance guides for small businesses. The amendment also requires that the compliance guides be written in plain English and made available in a timely manner.

I think this is a commonsense requirement. It not only reduces the administrative costs for small business, but it also increases the level of compliance with such new rules and regulations. I think the work opportunity tax credit is an example. That isn't a program that a lot of small businesses have taken advantage of. Part of it is because they don't know about it, and part is they don't know how to comply with it. They don't have the opportunity to hire the specialists that might be needed to understand it or to do the recordkeeping on it. So they don't take advantage of it to the level they could. It is a provision in the tax bill that could make quite a difference to small employers.

Many small employers simply lack the resources, the outside consultants, the experts necessary to continually advise them of changes in Federal rules that impact the way they must run their business. As it now stands, smaller businesses currently pay disproportionate per employee compliance costs when compared to larger employers. The average per employee cost for Federal regulatory compliance in a business with less than 20 employees is 45 percent higher than the same cost for a business with 500 or more employees. So it is about $7,600 for a small business to comply versus $5,200 for a big business to comply. Those numbers stagger me—the cost for small business to comply with Federal rules and regulations. That doesn't count the cost of complying with the Tax Code, which is a whole other range of costs.

Cost mandates, such as a minimum wage increase, impose significant financial burdens on our small employers. We must do everything we can to help alleviate this burden and ensure that small businesses remain the well-run engine of our economy, and providing the kind of compliance assistance called for in Senator SNOWE's amendment is one of the ways we can assist small businesses in meeting the administrative costs associated with Federal regulation.

I commend Senator SNOWE for her efforts on behalf of small businesses and am proud to be a cosponsor of this legislation with her. She has put in diligent efforts to hold hearings and get this into place in the committee that she chaired, the Small Business Committee, on which she is now the ranking member.

I urge my colleagues to support this amendment that not only provides assistance that reduces employer costs but also assistance that increases employer compliance. That is two goals. This amendment will do both of those. I ask for your support.

I yield the floor and suggest the absence of a quorum, and I ask unanimous consent that the time be equally divided between the sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. 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. KENNEDY. Mr. President, we still anticipate a vote at 2:45 p.m. As I mentioned, we are going to urge the Senate to accept the amendment offered by Senator SNOWE. I think it is an important contribution to small businesses and their understanding of the kinds of rules and regulations that have been out there and do it in ways that are understandable and in a timely way and to ensure that the relevant committee is going to find out how that is being implemented. We are certainly in strong support of that concept and idea. I commend those who have been involved in it.

We are going to vote at 2:45. We have amendments that are related to the Finance Committee. I talked with Senator BAUCUS during the noon hour. His staff is working on some that have been offered by Senator SESSIONS, and we are in the process of trying to work with the Senator to see what progress can be made, and the Finance Committee staff, as well as Senator BAUCUS, is attentive to those issues.

Senator ROBERTS has an amendment dealing with childcare and small business. It was a subject matter he talked about during our hearing in the Health, Education, Labor, and Pensions Committee. He will come over to the floor now and address the Senate about that issue. We have been trying to work with him. We think most of us have been strong supporters in terms of childcare. Senator DODD has been a real leader with Senator HATCH in the past with the block grant childcare program.

We have a childcare program that is also tied in with the Social Security program, and we have a very effective childcare program in the military which receives awards. It is very close, actually, to the bill that was initially introduced by Senator DODD a number of years ago.

We will have a chance to consider those amendments in a short period of time. I will take a few minutes now to review for the Senate what will be the first vote tomorrow, and that will be on what we call the line-item veto amendment.

We had an excellent debate and discussion on that amendment yesterday. I refer any of those interested to read the RECORD, the excellent comments that were made on this issue by the chairman of the Appropriations Committee, Senator BYRD, and also the chairman of the Budget Committee, Senator CONRAD, enormously, I think, comprehensive comments on it. I urge they read the comments of Senator GREGG as well, who is the proponent of the amendment.

Senator CONRAD and Senator BYRD made excellent presentations. We will be considering that early tomorrow. I hope those who are interested in the amendment will take a few moments and look back at the RECORD. It is a very complete record on that issue. I stand with Senator CONRAD and Senator BYRD, for the reasons they have outlined, in opposition to the Gregg amendment.

Next we will have a chance to vote on what we call a clean increase in the minimum wage. That means a vote on the increase in the minimum wage over a 2-year period to rise from $5.15 to $7.25 an hour.

I strongly urge our colleagues to vote for what we call a clean bill on the minimum wage. I do so for a number of reasons.

First, this is the area of need. It is among workers who haven't gotten a raise in the last 10 years. For 10 years, the longest time since we had a minimum wage increase, they have lost effectively 20 percent of their purchasing power, and they are working in tough and difficult jobs. These are men and women of great pride and dignity. They do hard, difficult, trying work, and they do it to the best of their ability. They deserve to have a raise.

I don't think any of us in this country thought the minimum wage would be a permanent wage for millions of Americans, and yet, nonetheless, if one looks at the figures, effectively 40 percent of those earning the minimum wage were earning the minimum wage 4 years ago. That they have been able to make ends meet over this amount of time is extraordinary, particularly when they have members of their family to look after.

This country has said if one works hard 40 hours a week, 52 weeks of the year, one shouldn't have to live in poverty in the richest nation in the world. That is an issue of fairness. It is a moral issue.

As we demonstrated earlier, the Members of the great face of this country have all spoken about the morality of this issue. It is part of our Constitution that talks about the general welfare, how are we going to treat each other. It is as old as the Mayflower Compact. In my State of Massachusetts, before landing, the Pilgrims gathered together near Provincetown. Most people think they landed at Plymouth Rock, but they landed at Provincetown, MA. Before they landed—they had been at sea for close to 100 days, and many had died and many suffered from disease—they got together and talked about their Compact, their willingness to work together for a common purpose and common respect for their fellow human beings. That was going to be the essence of their whole life experiment in the United States.

It is reflected in the actions that have been taken in this body with the minimum wage. On only one occasion in the last nine occasions when we raised the minimum wage have we added a tax provision.

Again, the minimum wage has lost 20 percent of all of its purchasing power. It was a good deal higher in the sixties, seventies, and eighties. It has dropped and dropped significantly over time and has lost that purchasing power.

Secondly, only once in 1996 did we pair a minimum wage increase with tax cuts. Previous increases had strong bipartisan support, despite the lack of tax cuts. In 1989, the minimum wage was raised with no tax cuts and passed by a margin of 89 to 8. In 1977, with no giveaways, an increase passed 63 to 24. We have seen what has happened. Only one time—it didn't happen in 1938, 1949, 1955, 1961, 1966, 1974, 1977, 1989—only in 1996. And look in the last 10 years what has happened in terms of the reduction of taxes for corporations and for small businesses. In corporations, it is $276 billion in tax breaks; small businesses, $36 billion; and no raise for minimum wage workers.

We didn't hesitate. We were around here to provide tax benefits to small businesses and large corporations. Where were the voices to say let's give the minimum wage workers a little boost?

Now, all of a sudden, we are trying to get minimum wage workers a little boost, and everybody is running around to get an increase in tax provisions. Fair is fair, Mr. President; fair is fair.

We have seen what has happened in productivity. Over the last 10 years—here are the statistics from the Bureau of Labor Statistics—profits are up 45 percent, productivity is up 29 percent, and the minimum wage is down 20 percent. These minimum wage workers haven't even had the opportunity to get an increase in their salaries in spite of the fact that we have seen a real increase in productivity. Historically, when we saw an increase in productivity, that was reflected in an increase in the minimum wage. That was all true in the 1960s, 1970s, up to the 1980s. As productivity increased, so did the minimum wage increase over a considerable period of time, but not in the last few years.

As I have pointed out, a recent Gallup Poll found that 86 percent of small business owners do not think the minimum wage affects their businesses. Three out of four small businesses said an increase in the minimum wage would have no effect on their company. Many small businesses are already paying higher wages to recruit and retain quality workers. A higher minimum wage actually benefits them because it levels the playing field and allows them to compete with the bigger business.

What we have found over time, when we provide a decent wage to workers—and this is demonstrated; I mentioned it here, I spelled it out in some greater degree on yesterday—what we find is we get workers who are loyal to the business. We find there is less of a turnover when there was an increase in the minimum wage to a living wage.

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

Mr. KENNEDY. Our time has expired. That is interesting. Have we reserved the last 5 minutes for debate on the Snowe amendment?

The PRESIDING OFFICER. That was not the unanimous consent agreement. There is 30 minutes equally divided.

Mr. KENNEDY. I thank the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, how much time is remaining on our side?

The PRESIDING OFFICER. The Senator has 6½ minutes remaining.

Mr. ENZI. I thank the Chair.

I appreciate the comments of the Senator from Massachusetts and the diligence with which he has worked on this issue and the number of times we have debated it. I appreciate the majority leader making it possible for us to consider amendments on this bill. I understand how some people would like

to have this as a clean amendment, that we just do the increase. The debate the last three times we have done it has been about whether we can have some provisions for small businesses to offset the impact of the raise in the minimum wage.

I want to bring a more personal face to this small business. We confuse that sometimes even with General Motors and some of the airlines. Those are big corporations. In fact, the ones I am particularly concerned about are the ones with 50 employees or less, and even more concerned about the ones that only have 2 or 3 employees. The impact and their ability to adjust is much more limited. We are talking about the inventors in their garages who have an idea and who will employ another person to help put their product together and market it. We are talking about the corner grocery store. We are talking about the laundry. We are talking about the little shoe store, the independent one.

These are families that are eking out a living. These are not families that are getting rich. These are families that took on a lot of risk for the American dream. They are hoping that with all of the loans they put in place to be able to do this business that they always dreamed of doing, they might make a return on their investment and enough to keep their family going. But there is no guarantee.

These are the people who—and I know; I used to be a small businessman. I used to own shoe stores. One of my definitions of a small businessman is the guy who wakes up, sits up straight in bed in the middle of the night and says: Tomorrow is payday; how do I meet payroll? And they figure out a way because the employees get paid first.

These are people worrying about how to stay in business, how to make a living, and taking on a whole lot of risk to make sure other people have jobs.

We have to remember that the small businessman will be forced to come up with additional funds to pay his or her workers on what we are mandating today. Those funds don't come from a money tree or some pot of gold at the end of the rainbow. They come out of the pockets of the Nation's small businessmen. It is the penalty they pay for taking the risk associated with running a small business.

I have about 3 minutes. I yield the remainder of the time to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 3 minutes.

Ms. SNOWE. Mr. President, I thank the Senator from Wyoming for his leadership on this amendment that is so important to the small business sector of our economy. I also thank Chairman KENNEDY as well for bringing this legislation to the floor.

I rise today in support of the pending modified amendment we will be voting on shortly that has been offered by the Senator from Wyoming, Mr. ENZI, the Senator from Louisiana, Ms. LANDRIEU, as well by the Senator from Massachusetts, Mr. KENNEDY, to enhance compliance assistance for small businesses. I truly appreciate all those joining me in this effort.

I ask unanimous consent to add Senators KERRY, BOND, SUNUNU, and ROBERTS as cosponsors to this amendment.

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

Ms. SNOWE. Mr. President, I want to say to Members of the Senate, this amendment would significantly help to reduce the regulatory burden imposed on small businesses throughout this country. The amendment is designed to clarify an existing Federal law that the Senate unanimously passed back in 1996. The Government Accountability Office has suggested that we needed to have further clarification to the existing law because many Federal agencies are circumventing the law. These agencies are using loopholes to ignore requirements under the law that the agencies publish small business compliance guides so that small businesses know how to comply with complex Federal regulations. The agencies have used ambiguity in the law as a rationale for not assisting small businesses.

This amendment would clarify existing Federal rules and regulations, by requiring that Federal agencies produce compliance assistance materials to help small businesses satisfy their regulatory obligations. Because the GAO has found widespread and pervasive disregard of this law by agencies, we felt it was very important to clarify the law so that small business not only gets the assistance it requires but also can meet the regulatory requirements promulgated by the Federal government. As we well know, small businesses face a disproportionate burden of the impact of regulations in rules issued by Federal agencies. In fact, employers with 20 or fewer employees face 44.8 percent more of a regulatory burden than companies with 500 or more employees, in terms of compliance costs per employee.

So you can see that for our Nation's small businesses, we clearly need to do better so they can continue to drive our economy, by creating three-quarters of all the net new jobs each year. This amendment will go a long way toward easing the impact of the cost of small business regulatory compliance and making sure the agencies comply with requirements under existing law to provide the support small businesses rightly deserve.

Mr. President, I yield the floor.

The PRESIDING OFFICER. All time has expired.

Mr. KENNEDY. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not been ordered.

Mr. KENNEDY. 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 bill clerk called the roll.

Mr. DURBIN. I announce that the Senator from South Dakota (Mr. JOHNSON) is necessarily absent.

The PRESIDING OFFICER (Mrs. MCCASKILL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 20 Leg.]

YEAS—99

Akaka	Domenici	McConnell
Alexander	Dorgan	Menendez
Allard	Durbin	Mikulski
Baucus	Ensign	Murkowski
Bayh	Enzi	Murray
Bennett	Feingold	Nelson (FL)
Biden	Feinstein	Nelson (NE)
Bingaman	Graham	Obama
Bond	Grassley	Pryor
Boxer	Gregg	Reed
Brown	Hagel	Reid
Brownback	Harkin	Roberts
Bunning	Hatch	Rockefeller
Burr	Hutchison	Salazar
Byrd	Inhofe	Sanders
Cantwell	Inouye	Schumer
Cardin	Isakson	Sessions
Carper	Kennedy	Shelby
Casey	Kerry	Smith
Chambliss	Klobuchar	Snowe
Clinton	Kohl	Specter
Coburn	Kyl	Stabenow
Cochran	Landrieu	Stevens
Coleman	Lautenberg	Sununu
Collins	Leahy	Tester
Conrad	Levin	Thomas
Corker	Lieberman	Thune
Cornyn	Lincoln	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	Webb
Dodd	McCain	Whitehouse
Dole	McCaskill	Wyden

NOT VOTING—1

Johnson

The amendment (No. 103), as modified, was agreed to.

Mrs. LINCOLN. Madam President, I move to reconsider the vote, and I move to lay that motion on the table.

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

Mr. KENNEDY. Madam President, the Senator from Kansas has an amendment. He has brought it up during the course of meetings of our Health, Education, Labor, and Pensions Committee, and he has been advocating for it for some period of time. He wishes to address the Senate at this time, if we could have order so that the Senator could be heard.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

AMENDMENT NO. 102

Mr. ROBERTS. Madam President, I rise today to offer amendment No. 102.

As we debate the issue of minimum wage, we can't forget the impact on the employers who hire these minimum wage workers. Small businesses pay 45 percent of the payroll in the United States, and they have created 60 to 80 percent of new jobs over the last decade. In my home State of Kansas, small businesses actually employ the brunt of hard-working families. I often hear from these employers who agree with their workers that they deserve a fair wage for a fair day's work, but they

admit, however, that they struggle to offer the basic benefits to their employees such as childcare. With a mandated increase in the minimum wage, that struggle will only grow. So affordable childcare oftentimes becomes a factor in keeping a job for many Americans in small communities such as Dodge City, my hometown, and other very similar communities. Childcare facilities are very scarce, limiting the possibilities for families to earn——

Mr. KENNEDY. Madam President, if the Senator will yield, maybe we could have order. We are making good progress on this legislation. This is an important amendment. The Senator has spent a good deal of time, and we welcome the opportunity to hear him on it. We would ask our colleagues and friends if they would be good enough to take their conversations to another part of the Senate so we can hear the Senator.

The PRESIDING OFFICER. Senators, please remove your conversations out of the well.

The Senator from Kansas is recognized.

Mr. ROBERTS. I thank the Senator from Massachusetts and I thank the Presiding Officer and I thank my colleagues to my right who, hopefully, will take their conversation from the floor of the Senate.

Unfortunately, small businesses generally do not have the resources required to start up and support a childcare center like happens in many areas in urban America and big cities.

When I came to the Senate in 1997, one of the first bills I introduced was the Small Business Child Care Act, which authorized a short-term flexible grant as a program to encourage small businesses to work together or with other local childcare agencies to provide childcare services for their employees. This amendment includes the bipartisan language of the Small Business Child Care Act that was passed out of the HELP Committee in August of 2005 as part of the larger childcare and development block grant.

Under the amendment, small businesses are eligible for grants up to $500,000 for startup costs and training and scholarships and other related activities, with priority given to grantees who work with other small businesses or local childcare organizations. These grants all have a matching requirement which encourages self-sustaining facilities that will go on well after the program ends.

In many small Kansas towns, childcare facilities can be very scarce, as I have said before. This amendment would alleviate the strain on working families who often have to close the door on the opportunity to be a double-income family because of the lack of childcare options in their communities.

When I first ran for the House back in 1980, I was going door to door in Dodge City. I was in south Dodge and I knocked on a door and a young lady came to the door and two children were immediately right there with her. I handed her a brochure, and I said: I am running for Congress. What can I do for you? Is there anything I can do for you as a candidate?

She looked at me with the two kids behind her—she was obviously a single mother—and she said: Mr. ROBERTS, it's your world, I'm just living in it.

That made a big impression on me.

I said: What do you need more than anything else?

She said: If there could be a possibility that there could be any childcare for these two children, I could go to work. I could go back to work.

But that was not the case at that particular time. Then I promised myself that we would try our very best so that in a small community with a bank, the implement dealer, and, say, a restaurant, they could come together, and with these kinds of grants offer affordable childcare.

So I am very hopeful we can get this amendment passed. It is a small change that will make a big difference in the lives of many employees and employers who see a need for childcare in their communities. I hope my colleagues will join me in supporting this amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I rise to thank the Senator from Kansas for offering this amendment. Back about 20 years ago, the Senator from Utah and I, along with Senator KENNEDY and others, authored the first childcare development block grant ever to be proposed by the Congress. We had hoped in those days that we would be able to expand the availability, affordability, and quality of childcare to millions of Americans and their children who are lacking those resources.

Over the years, we have provided some good assistance. I am grateful to my colleagues over the years who have been supportive.

We have gone stale on the commitment over the last 5 or 6 years. The funding has not gone up at all and demand continues to grow. We have done a fairly good job in serving some of the working poor. We must do better, however. We have not done a good job, in my view, on the most critical issue most parents and others care about, and that is the quality of childcare. This amendment gets to the quality of child care by providing small businesses the opportunity to use the grant for facilities and to create partnerships with local organizations such as health departments.

What is happening with our colleague's amendment is that it is trying to expand opportunities for families, and I am grateful to him for proposing it. Everyday I hear about the communities in which the demand for child care for exceeds the supply. This amendment would increase the supply and allow more parents to go to work knowing that their children are safe.

I am supporting it. I think it is worthwhile, and it will help make a difference of expanding quality and access.

It is good for everyone involved. A lot of times we offer legislation with winners and losers. Here, everybody wins. From a business standpoint, they are retaining good employees, allowing parents' minds to be focused on their jobs. In no small measure, this depends on how you feel, where your children are, who is caring for them, and what the conditions are. In terms of productivity and retention, all the elements businesses desire for employees, childcare is a major component. For the parents, obviously, not to be worried or concerned about the quality of the care their children receive and whether they can afford it is a major issue. I am preaching to the choir for those who understand what I am talking about. Obviously, from the child's perspective, it's essential to be able to have that good, nurturing environment. There is not a guarantee they will get it in every case, but it is more likely if this amendment passes.

The difficult area is with smaller businesses. Many larger corporations have installed childcare facilities on-site. In fact, in some cases they have offered less in salaries and wages in exchange for providing better childcare; I am not saying that is great, but people are so hungry to have a good, safe, childcare environment, they will opt for lesser wage or salary in exchange for the assurance their children are in a safe place. Smaller businesses cannot do that. Some of them are at shopping malls, and they develop consortiums and set aside space. There are a lot of creative ideas. But it is the hardest thing in the world for smaller business to provide child care. It is not that they do not recognize the need for it. They understand the value of it. This amendment, from a child's perspective, from a parent's perspective, and from a business perspective is a win for all. I commend my colleague. We have talked of this in the past and agreed on its importance. I thank Senator ENZI.

While I am here, I would like to talk about the underlying bill, to raise the minimum wage. Exactly because of what the Senator from Kansas has offered, it is important to know that his amendment is a related matter when it comes to children. The increase in the minimum wage has a huge impact on children.

So I am taking advantage of a couple of minutes on his amendment to highlight this point. In the last 5 years, we have watched child poverty in this country increase by 1.3 million children. This figure is from the U.S. Census Bureau, not a private think tank making this up. Nearly 12.9 million children in this country live in poverty.

Obviously, that is a matter of great concern, I hope to all of us. What is bothersome to me and should be to every single one of us—I don't care what your politics are or your political persuasion—the fact that the United

States of America, at the outset of the 21st century, has one of the highest rate of child poverty among all the industrialized nations. That is something that ought to concern each and every one of us, not just because of what a shameful statistic that is. As we look to the 21st century, watching our country grow, meeting the challenges in front of us, we have to do a better job if we are going to have a well-prepared generation to meet the challenges.

Aside from providing decent child care, we know by increasing the earning capacity of parents we make a difference. In fact, nearly 6 million children will benefit from a minimum wage increase.

Children whose parents are economically secure—and this increase is not going to guarantee security, but it moves a family closer to it—have better attendance in school and have a higher concentration on the work they are asked to do. Performance levels go up, test scores go up, and graduation rates increase when a family's economic circumstances are far more stable. In addition, children have stronger immune systems, better health, fewer expensive hospital visits and fewer runins with the juvenile justice system. Those are facts when you have a family doing better economically. For the families who have the greatest economic stability at home, these statistics improve in almost every category.

Because of what the Senator from Kansas has offered, focusing on childcare, combined with what the Senator from Massachusetts, Senator KENNEDY, is leading today on the minimum wage, we can make a difference for these children. That is the point I wanted to make to my colleagues.

I commend them both. It is long overdue. My hope is that the amendment from my friend from Kansas will be a forerunner this year for increasing our commitments to child care. My colleague from Maine, Senator SNOWE, has been terrific on this issue over the years. Senator HATCH was my principal cosponsor on this many years ago. It was courageous of him then. A lot of people did not realize the value of it. I am remiss not mentioning those who played a significant role. And let me add my colleague, Senator ROBERTS, for his leadership on this issue. I thank him immensely. I thank Senator KENNEDY for his leadership on minimum wage. We can make a difference for children with both of these proposals.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I thank my friend and colleague for his excellent presentation. He has been the leader of the children's caucus and a leader on this issue of childcare.

We have 14,000 family members now waiting, parents who are waiting for childcare slots in my State of Massachusetts.

I have listened to the Senator give the statistics nationwide. This is all related to work. It is obviously related to lower income because those at the lower income levels have less opportunity as far as affordability.

I can remember when the Senator first offered the childcare legislation. I remember the debates we had about limiting the childcare legislation. We debated for about 10 days or so while it was constantly adjusted, altered, and changed. Eventually, it passed. The childcare block grant has done an enormous amount of good.

The Senator has been very much involved in the other childcare programs that have come out through the CDBG and the other Social Security programs. There is a third childcare program, the one in the military. If you read back in the history books, that particular program passed by over 90 votes. This, effectively, was the legislation the Senator from Connecticut introduced. Today, when we have comparisons about which childcare programs work the best, everyone points to the military. The Senator from Connecticut can give the reasons for it.

The point is, this is a matter of enormous importance to working families, with the whole change in the workforce, the increasing number of women in the workforce, the increasing number of women with children, the increasing demands upon those women, in particular, but not exclusively.

We appreciate the fact that the Senator from Kansas would give focus and attention to this issue. We wish to work with the Senator. We can do part of the job in terms of the authorization. We are going to rely on him to help get limited resources to make sure we bring life to this program. I thank the Senator for his statements and comments.

We look forward to hearing from my friend and colleague from Wyoming, hopefully, urging acceptance of the amendment.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Madam President, I echo what the Senator from Massachusetts said, that this does provide for authorization. There is room for that to be included, and we can help look for the resources to do something on that.

I commend both Senator ROBERTS and Senator DODD for their tenaciousness and their active work to be able to bring this to the Senate at this point in time. I note that Senator ROBERTS has been working on this for about 10 years. Six years is the average for a bill around here. That should qualify.

I ask we make this part of that package.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Madam President, I say to the Senator from Connecticut, I thank him very much for his comments. He has been absolutely tenacious, as described by the Senator from Wyoming.

I can remember, it was about, what, 5, 6, 7 years ago, that we all were over, on a cold day, at the childcare center that is offered for employees on Capitol Hill over by the Hart building. We had a press conference. Senator KENNEDY was there, I was there, Senator DODD was there, I think Senator JEFFORDS was there at that time. That was 4 or 5 years ago.

So we should be moving on these things. I pledge my support to see what we can do down the road.

I rise to call up Senate amendment 102.

The PRESIDING OFFICER. Without objection the pending amendments are set aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mr. ROBERTS] proposes an amendment numbered 102.

Mr. ROBERTS. Madam President, I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To establish a small business child care grant program)

At the appropriate place, insert the following:

SEC. ____. SMALL BUSINESS CHILD CARE GRANT PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services (referred to in this section as the ''Secretary'') shall establish a program to award grants to States, on a competitive basis, to assist States in providing funds to encourage the establishment and operation of employer-operated child care programs.

(b) APPLICATION.—To be eligible to receive a grant under this section, a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that the funds required under subsection (e) will be provided.

(c) AMOUNT AND PERIOD OF GRANT.—The Secretary shall determine the amount of a grant to a State under this section based on the population of the State as compared to the population of all States receiving grants under this section. The Secretary shall make the grant for a period of 3 years.

(d) USE OF FUNDS.—

(1) IN GENERAL.—A State shall use amounts provided under a grant awarded under this section to provide assistance to small businesses (or consortia formed in accordance with paragraph (3)) located in the State to enable the small businesses (or consortia) to establish and operate child care programs. Such assistance may include—

(A) technical assistance in the establishment of a child care program;

(B) assistance for the startup costs related to a child care program;

(C) assistance for the training of child care providers;

(D) scholarships for low-income wage earners;

(E) the provision of services to care for sick children or to provide care to school-aged children;

(F) the entering into of contracts with local resource and referral organizations or local health departments;

(G) assistance for care for children with disabilities;

(H) payment of expenses for renovation or operation of a child care facility; or

(I) assistance for any other activity determined appropriate by the State.

(2) APPLICATION.—In order for a small business or consortium to be eligible to receive assistance from a State under this section, the small business involved shall prepare and submit to the State an application at such time, in such manner, and containing such information as the State may require.

(3) PREFERENCE.—

(A) IN GENERAL.—In providing assistance under this section, a State shall give priority to an applicant that desires to form a consortium to provide child care in a geographic area within the State where such care is not generally available or accessible.

(B) CONSORTIUM.—For purposes of subparagraph (A), a consortium shall be made up of 2 or more entities that shall include small businesses and that may include large businesses, nonprofit agencies or organizations, local governments, or other appropriate entities.

(4) LIMITATIONS.—With respect to grant funds received under this section, a State may not provide in excess of $500,000 in assistance from such funds to any single applicant.

(e) MATCHING REQUIREMENT.—To be eligible to receive a grant under this section, a State shall provide assurances to the Secretary that, with respect to the costs to be incurred by a covered entity receiving assistance in carrying out activities under this section, the covered entity will make available (directly or through donations from public or private entities) non-Federal contributions to such costs in an amount equal to—

(1) for the first fiscal year in which the covered entity receives such assistance, not less than 50 percent of such costs ($1 for each $1 of assistance provided to the covered entity under the grant);

(2) for the second fiscal year in which the covered entity receives such assistance, not less than 66⅔ percent of such costs ($2 for each $1 of assistance provided to the covered entity under the grant); and

(3) for the third fiscal year in which the covered entity receives such assistance, not less than 75 percent of such costs ($3 for each $1 of assistance provided to the covered entity under the grant).

(f) REQUIREMENTS OF PROVIDERS.—To be eligible to receive assistance under a grant awarded under this section, a child care provider—

(1) who receives assistance from a State shall comply with all applicable State and local licensing and regulatory requirements and all applicable health and safety standards in effect in the State; and

(2) who receives assistance from an Indian tribe or tribal organization shall comply with all applicable regulatory standards.

(g) STATE-LEVEL ACTIVITIES.—A State may not retain more than 3 percent of the amount described in subsection (c) for State administration and other State-level activities.

(h) ADMINISTRATION.—

(1) STATE RESPONSIBILITY.—A State shall have responsibility for administering a grant awarded for the State under this section and for monitoring covered entities that receive assistance under such grant.

(2) AUDITS.—A State shall require each covered entity receiving assistance under the grant awarded under this section to conduct an annual audit with respect to the activities of the covered entity. Such audits shall be submitted to the State.

(3) MISUSE OF FUNDS.—

(A) REPAYMENT.—If the State determines, through an audit or otherwise, that a covered entity receiving assistance under a grant awarded under this section has misused the assistance, the State shall notify the Secretary of the misuse. The Secretary, upon such a notification, may seek from such a covered entity the repayment of an amount equal to the amount of any such misused assistance plus interest.

(B) APPEALS PROCESS.—The Secretary shall by regulation provide for an appeals process with respect to repayments under this paragraph.

(i) REPORTING REQUIREMENTS.—

(1) 2-YEAR STUDY.—

(A) IN GENERAL.—Not later than 2 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine—

(i) the capacity of covered entities to meet the child care needs of communities within States;

(ii) the kinds of consortia that are being formed with respect to child care at the local level to carry out programs funded under this section; and

(iii) who is using the programs funded under this section and the income levels of such individuals.

(B) REPORT.—Not later than 28 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(2) 4-YEAR STUDY.—

(A) IN GENERAL.—Not later than 4 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine the number of child care facilities that are funded through covered entities that received assistance through a grant awarded under this section and that remain in operation, and the extent to which such facilities are meeting the child care needs of the individuals served by such facilities.

(B) REPORT.—Not later than 52 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(j) DEFINITIONS.—In this section:

(1) COVERED ENTITY.—The term ''covered entity'' means a small business or a consortium formed in accordance with subsection (d)(3).

(2) INDIAN COMMUNITY.—The term ''Indian community'' means a community served by an Indian tribe or tribal organization.

(3) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms ''Indian tribe'' and ''tribal organization'' have the meanings given the terms in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(4) SMALL BUSINESS.—The term ''small business'' means an employer who employed an average of at least 2 but not more than 50 employees on the business days during the preceding calendar year.

(5) STATE.—The term ''State'' has the meaning given the term in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).

(k) APPLICATION TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—In this section:

(1) IN GENERAL.—Except as provided in subsection (f)(1), and in paragraphs (2) and (3), the term ''State'' includes an Indian tribe or tribal organization.

(2) GEOGRAPHIC REFERENCES.—The term ''State'' includes an Indian community in subsections (c) (the second and third place the term appears), (d)(1) (the second place the term appears), (d)(3)(A) (the second place the term appears), and (i)(1)(A)(i).

(3) STATE-LEVEL ACTIVITIES.—The term ''State-level activities'' includes activities at the tribal level.

(l) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section, $50,000,000 for the period of fiscal years 2008 through 2012.

(2) STUDIES AND ADMINISTRATION.—With respect to the total amount appropriated for such period in accordance with this subsection, not more than $2,500,000 of that amount may be used for expenditures related to conducting studies required under, and the administration of, this section.

(m) TERMINATION OF PROGRAM.—The program established under subsection (a) shall terminate on September 30, 2012.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 102) was agreed to.

Mr. KENNEDY. Madam President, I see the Senator from Alabama looking for recognition. He has filed some amendments. Hopefully, I will have an opportunity to discuss some of those.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. I thank Senator KENNEDY and Senator ENZI for their courtesy as we discuss some of the issues I have raised by my amendments.

What is the pending business?

The PRESIDING OFFICER. The pending question is amendment 118 offered by Senator KYL.

AMENDMENT NO. 106, AS MODIFIED

Mr. SESSIONS. I call for the regular order with respect to Senate amendment 106 and send a modification to the desk.

The PRESIDING OFFICER. The Senator has that right.

The amendment will be so modified.

The amendment (No. 106), as modified, is as follows:

At the appropriate place, insert the following:

SEC. ___. SENSE OF THE SENATE CONCERNING PERSONAL SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) the personal saving rate in the United States is at its lowest point since the Great Depression, with the rate having fallen into negative territory;

(2) the United States ranks at the bottom of the Group of Twenty (G–20) nations in terms of net national saving rate;

(3) approximately half of all the working people of the United States work for an employer that does not offer any kind of retirement plan;

(4) existing savings policies enacted by Congress provide limited incentives to save for low- and moderate-income families; and

(5) the Social Security program was enacted to serve as the safest component of a retirement system that also includes employer-sponsored retirement plans and personal savings.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) Congress should enact policies that promote savings vehicles for retirement that are simple, easily accessible and provide adequate financial security for all the people of the United States;

(2) it is important to begin retirement saving as early as possible to take full advantage of the power of compound interest; and

(3) regularly contributing money to a financially-sound investment account is one

important method for helping to achieve one's retirement goals.

Mr. SESSIONS. Madam President, it is important as we think about low- and middle-income, middle-class workers in America today, to think about how they are getting along and whether they are saving adequately. Savings is a part of any person's financial security. It makes a difference between how a person thinks about his life, how he or she thinks about her job, and how they can live in the latter years. Most Americans today depend upon Social Security to finance their retirement as Social Security provides 73 percent of the retirement income of the typical household. That is not enough money for the average American to live on adequately. The truth is, they can have so much more so easily. I would like to talk about that today.

To live the comfortable life that Americans deserve after 40-plus years of work, most need to supplement their Social Security income with additional savings, either through an employer-sponsored plan or their own savings plan. Yet despite this need, most Americans are not putting aside money for their future.

Statistic after statistic tragically shows this. The personal savings rate in the United States, as this chart demonstrates, is at its lowest ebb since the Great Depression. It is a matter of national importance, as the Chairman of the Reserve Board and others have discussed.

Look at this chart. It shows, since 1946, our savings rate has fallen steadily; in 2006, it is below zero. We are spending our savings now more than we are saving. It is a very troubling matter. We have to do something about it.

After having averaged better than 7 percent throughout most of the post-World War II period, the personal savings rate dipped into negative territory by 2005 for the first time since 1933. This trend continued last year as the personal savings rate remained in negative territory for the first three quarters of 2006, with the fourth quarter numbers not yet reported.

These statistics indicate that the average American household has been spending more during the last 2 years by either drawing down past savings or selling assets or borrowing.

An alarming number of Americans also lack any financial resources beyond personal income. According to a Federal Reserve 2004 survey of consumer finances, 17 percent of all households have zero or a negative net worth, while 30 percent have a net worth of less than $10,000. This is especially a problem for African-American households, as they are more than twice as likely to have zero or a negative net worth.

Perhaps most troubling, as this next chart demonstrates, almost half of the 152 million Americans who worked in 2004, 71.5 million employees, worked for an employer that did not sponsor a retirement plan of any kind. Another 17 million did not participate in the plan their employer offered. That means over 58 percent of working Americans in 2004 were not participating in an employer-sponsored retirement plan.

Higher income people take care of their plans, but the average working American tends to focus his savings through his business and employer. In particular, younger workers are much less likely to participate in their employer's 401(k) plan, as only about one-third of workers age 21 to 30 participate in any retirement plan at work. Even if a worker is participating in an employer-sponsored retirement plan, he or she is unlikely to be saving sufficiently for the future.

The average American worker holds nine jobs by the time they are 35, meaning that he or she often leaves the job before their retirement benefits become vested. In fact, frequently they cash it out. I had the opportunity to be on an airplane recently with a young man, 37, with two kids. He is beginning to work for the Federal Government. He is going to be saving through the thrift plan. I asked him what he had done before about savings. I told him the average person had nine jobs. He said: I had nine jobs. And when asked about savings, he said: I cashed in my plans. I just had a few hundred dollars in this one and a few hundred in that one. It didn't make sense to hold on to them. I cashed them in and paid my penalties. So at 35 with two kids, he has missed those first 10 or 15 or 20 years of work that he could have been saving and having the power of compound interest at work. About 45 percent of the participants in employer-sponsored retirement plans cashed out when they changed jobs in 2004. A lot of plans don't offer savings until you have worked with the company 6 months or a year; some, 2 years.

As this next chart shows, if we considered business and Government savings, we find that the United States has the lowest national savings rate of any of the group of 20 industrial nations. Whereas Japan's savings rate was 10.8 percent in 2003, Germany's was 5.4 percent, and India's was 15.4 percent, the United States had a net national savings rate of 1.6 percent in 2003. This is a World Bank chart. We can see we have the lowest rate on the chart. That is significant, not only for individuals, most importantly for individual working Americans, but also for our economy because economists tell us that this is a major detriment to our economy. In fact, all but two of the nations listed on the chart I just showed have a net national savings rate of more than twice that of the United States, if not more than 10 times our savings rate.

The lack of personal savings is a particular problem in my State of Alabama. An A.G. Edwards study rated Alabama the Nation's 46th lowest savings State. This lack of personal savings is a national tragedy, as few Americans are putting money aside to ensure their financial security upon retirement, during a time where we have growth and relative prosperity in our Nation. I will repeat that. Think about the tragedy that is occurring when people are not setting aside even a small percentage of their salary, when if they do, they could retire with hundreds of thousands of dollars in a savings account at age 65. This is very realistic. It is very possible. I will talk about it a little bit more in a minute. But as anybody knows who has studied the compound interest factor, the earlier you save, the more important it is. So it is a special tragedy when we see this lack of savings. For example, according to an analysis by Fidelity Investments, if one is 25 years old and has 40 years until retirement, every additional dollar a person saves would be worth $8.14 at retirement, adjusted for inflation. So a dollar saved, if you are 25, is worth $8.14 at retirement.

Increasing savings also allows Americans to achieve greater control and choice over their lives. According to the Center for Social Development, the presence of savings is even associated with improved health and psychological well-being.

The benefits of increasing our Nation's personal savings rate go beyond the financial security of individual families. By increasing household savings, we will be providing the investment capital our Nation needs to ensure long-term economic growth and create more and better jobs. Increasing savings will allow the United States to depend less on foreign capital. America's current account deficit, the amount of domestic investment financed by borrowing from abroad, hit a record high of over 6 percent of GDP in 2005. Foreign capital can sustain our economy in the short run, but I don't know if we can depend on that in the long run. Moreover, we, as a country, benefit from the interest and dividends our assets generate when we own them.

So what can we do to increase personal savings for retirement? I will soon be introducing a bill to help solve our savings problem by creating a national savings system that would give every American the opportunity to retire a half-millionaire. Not a chicken in every pot, not a car in every garage, we desire that every American be able to retire with half a million dollars in the bank. That is possible, realistic, so easily within our grasp if we set forth the right plans today.

Under the plan I will be introducing, individual savings accounts, or PLUS Accounts—for Portable, Lifelong, Universal Savings accounts—would be created for every working American. One percent of every paycheck earned would be deposited automatically, pretax, into individual PLUS Accounts, along with a 1-percent match from every employer, and invested in a new system like our Federal thrift system, a new 401(k)-type system. Under this plan, a savings account would be established for every American at birth, endowing these accounts with $1,000.

This is a proposal which the British are already doing. The UK has a plan similar to this plan. They are very excited about how well it is working. Savings among families in Britain has gone up 40 percent since they started this plan. It has educated people to the power of savings and compound interest.

Senators, such as Mr. SCHUMER, Mr. Santorum, and others, have previously offered legislation of this kind.

So these funds contributed to PLUS Accounts would be the legal property of each account holder, but they could not be spent until age 65. Any funds remaining when an individual died would be passed on as they chose to their spouse, children, grandchildren, or any one of the holder's choosing, including a favorite charity. Account assets would be protected from creditors and would not be considered in determining eligibility for any federally funded benefits or in calculating estate tax liability.

Finally, my plan would simply serve as a supplement to Social Security, not altering the Social Security system in any way. I supported the President's idea of changes in Social Security. I thought it made sense. We did not have the votes to do that in this Congress. So I say, let's do it on top of Social Security.

I believe this can work. If we begin PLUS Accounts at birth and require a portion of every paycheck to be invested, the first check you get, the first job you go to work at, the average American citizen could retire with a rather sizable nest egg. For example, given a reasonable rate of return, someone who makes $46,000 a year—the median household income in 2005—and only contributes 1 percent of each paycheck would retire with almost $300,000 in the bank. Think about that. You put in 1 percent, your employer puts in 1 percent. You have a $1,000 deposit at birth. With no more money put in there other than what you pay out, you would retire with $300,000 in your account. What a remarkable and great country this is. At age 65, this account could be converted to an annuity that would pay the recipient $2,100 per month for life, which is probably more than they will get from Social Security. If the same individual were to contribute 3 percent, if they would just contribute 3 percent of their paycheck over the course of their working life, they could expect to retire with half a million dollars in their account—enough to purchase an annuity that pays over $3,700 per month for life, if they chose, or they could simply live off the income of it and have assets for their children or the charity they chose. This is if the company, the employer, only puts in 1 percent. But many employers today offer more than that.

I have to say, I was talking with Senator CORKER from Tennessee, a successful businessman, about this issue. He said: I believe in savings. We have a savings plan in my company that our people all sign up for.

I said: Tell me about it.

He said: We put in 10 percent, if they will put in 5 percent.

Think about that. That is what Senator CORKER does. A lot of businesses would do this. A lot of businesses would put in more. Many already are, but many businesses would step up to the plate and put in more than 1 percent. But if the employee put in 3 percent and the employer put in 1, at age 65, it would be worth half a million dollars, if you are operating at median income. That is remarkable.

Thus, I would say that if we care about working Americans, if we really want to do something historic, I believe we have an opportunity, a bipartisan opportunity to establish a savings program for Americans. That program should be modeled, in my view, although I am open to other suggestions, on the Federal thrift plan that our employees admire so much and they value so much, you couldn't take it from them with a crowbar. The Federal employees like it. They pay Social Security, and they get a thrift plan where the Government puts in 5 percent if they put in 5 percent. And they can put in more than that. Many of these young people working today who work a career in the Government are going to retire with a very sizable nest egg, something they own, an asset they have earned themselves from their work, and they will be able to retire comfortably, whereas otherwise they may be dependent on Social Security.

It is a national tragedy that we are not educating our children to save. It is a national tragedy that our savings rate has fallen below zero. I believe we can do better. I am offering this sense-of-the-Senate resolution to have the Senate think about it, to affirm its commitment to increasing savings. As we go forward in the weeks to come, we could be talking about the various proposals that are out there to actually make this happen.

I see Senator KENNEDY is off the floor. As I understand, we will set the vote on this resolution for an appropriate time.

Hopefully, we will have strong support from my colleagues.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

AMENDMENT NO. 119

Mr. BUNNING. Madam President, I call up amendment No. 119.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. BUNNING] proposes an amendment numbered 119.

Mr. BUNNING. 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 amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits)

At the appropriate place insert the following:

SEC. ___. REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.

(a) RESTORATION OF PRIOR LAW FORMULA.—Subsection (a) of section 86 (relating to social security and tier 1 railroad retirement benefits) is amended to read as follows:

''(a) IN GENERAL.—Gross income for the taxable year of any taxpayer described in subsection (b) (notwithstanding section 207 of the Social Security Act) includes social security benefits in an amount equal to the lesser of—

''(1) one-half of the social security benefits received during the taxable year, or

''(2) one-half of the excess described in subsection (b)(1).''.

(b) REPEAL OF ADJUSTED BASE AMOUNT.—Subsection (c) of section 86 is amended to read as follows:

''(c) BASE AMOUNT.—For purposes of this section, the term 'base amount' means—

''(1) except as otherwise provided in this subsection, $25,000,

''(2) $32,000 in the case of a joint return, and

''(3) zero in the case of a taxpayer who—

''(A) is married as of the close of the taxable year (within the meaning of section 7703) but does not file a joint return for such year, and

''(B) does not live apart from his spouse at all times during the taxable year.''.

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 871(a)(3) is amended by striking ''85 percent'' and inserting ''50 percent''.

(2)(A) Subparagraph (A) of section 121(e)(1) of the Social Security Amendments of 1983 (Public Law 98–21) is amended—

(i) by striking ''(A) There'' and inserting ''There'';

(ii) by striking ''(i)'' immediately following ''amounts equivalent to''; and

(iii) by striking '', less (ii)'' and all that follows and inserting a period.

(B) Paragraph (1) of section 121(e) of such Act is amended by striking subparagraph (B).

(C) Paragraph (3) of section 121(e) of such Act is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(D) Paragraph (2) of section 121(e) of such Act is amended in the first sentence by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)''.

(d) EFFECTIVE DATES.—

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

(2) SUBSECTION (c)(1).—The amendment made by subsection (c)(1) shall apply to benefits paid after December 31, 2007.

(3) SUBSECTION (c)(2).—The amendments made by subsection (c)(2) shall apply to tax liabilities for taxable years beginning after December 31, 2007.

SEC. ___. MAINTENANCE OF TRANSFERS TO HOSPITAL INSURANCE TRUST FUND.

There are hereby appropriated to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) amounts equal to the reduction in revenues to the Treasury by reason of the enactment of this Act. Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers

which would have occurred to such Trust Fund had this Act not been enacted.

Mr. BUNNING. Madam President, this is an important amendment for many of our seniors because it deals with the taxes on Social Security benefits. I have brought this issue before this Chamber before, so it should be familiar to many of my colleagues.

When the Social Security program was created, benefits were not taxed. However, in 1983, Congress changed the rules of the game by passing legislation to begin taxing up to 50 percent of a senior's Social Security benefit if their income was over $25,000 for a single individual or $32,000 for a couple.

Many seniors across the country were hit with a tax they never anticipated and were forced to send a portion of their Social Security benefits back to the IRS.

In 1993, Congress felt taxing 50 percent of benefits wasn't good enough. That year, Congress passed and President Clinton signed a bill that allows 85 percent of a senior's Social Security benefits to be taxed if their income is above $34,000 for a single and $44,000 for a couple. This was known as the ''Clinton senior citizens tax.''

The additional money this tax raises doesn't even go into helping Social Security solvency; instead, it goes into a Medicare Part A program.

I was a Member of the House of Representatives in 1993, and I opposed this tax then and I oppose this tax today, 14 years later.

Some people think this tax only affects ''rich'' seniors, but that is not the case. In fact, the income thresholds both for the 50-percent tax and the 85-percent tax haven't changed since they were first enacted back in 1983 and 1993. This means more and more seniors are paying these taxes every year.

In fact, it is estimated that of the 40 million Social Security beneficiaries, about 15 million—or 39 percent—of seniors pay taxes on their Social Security benefits. Of these, it is estimated that over 9.5 million pay taxes on up to 85 percent of their Social Security benefit.

On one hand, we tell seniors to plan and save for retirement and, on the other hand, we tax them for doing that.

In the past, there have been efforts by Members of Congress, including myself, to remove this unfair tax. During debate on the Senate 2006 budget resolution, I offered an amendment that provided Congress with the budget resources to remove this unfair tax on benefits. My amendment passed 55 to 45. Unfortunately, the tax reconciliation instructions were scaled back during conference.

Today, I am offering another amendment to finally repeal the 1993 tax on Social Security benefits. This means the 85-percent tax tier would be eliminated and the maximum amount of Social Security benefits that could be taxed would be 50 percent. Millions of seniors would be able to keep more of their Social Security benefits, and Congress gets an opportunity to end this unfair tax on seniors.

It is also important to point out that the Medicare Program is not harmed by my amendment. As I already said, this tax funds the Medicare program. Therefore, my amendment transfers to Medicare any amount it would have received due to this tax from the general fund.

This was an unfair tax on our seniors, and it is time we repeal it. I urge my colleagues to support this amendment. I thank the Chair for the time. We will look for a time later to bring up the amendment again.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. SANDERS. Madam President, I rise today in strong support of the Fair Minimum Wage Act of 2007. I commend Senator KENNEDY for his leadership on this issue. This important legislation would increase the Federal minimum wage from the abysmally low $5.15 an hour to $7.25 an hour over a 2-year period.

Let us make no mistake about it, this bill will benefit millions of workers and their families. It is very long overdue. Anyone who works 40 hours a week in the United States of America should not be living in abject poverty. It is a moral disgrace that Congress has not increased the minimum wage since 1997. Yes, Congress has provided hundreds of billions of dollars in tax breaks to people who don't need it, but somehow, over a 10-year period, Congress has not reached out to millions of workers making the minimum wage and raised that wage.

Today's minimum wage workers have less buying power than minimum wage workers did back in 1955, when Dwight Eisenhower was President. Simply put, a job should keep you out of poverty, not keep you in poverty.

At the current Federal minimum wage of $5.15 an hour, a person working full time makes less than $11,000 per year before taxes, which is approximately $6,000 below the Federal poverty line for a family of three.

Moreover, while the cost of living has skyrocketed, the value of the minimum wage has eroded by over 20 percent since the last increase. Today, nearly 13 million workers, 10 percent of the United States workforce, would directly or indirectly benefit from a raise in the minimum wage to $7.25 an hour; 5.5 million workers would benefit directly, 7.4 million workers would benefit indirectly, and more than 60 percent of those who would benefit are women.

In addition to workers, millions of American families would benefit from a raise in the minimum wage, including nearly 6 million children who would see their parents' earnings increase.

But some will argue that an increase in the minimum wage will primarily benefit teenagers. I think the evidence is quite strong that that is not the case. Further, recently, over 650 economists, including Nobel Prize winners and past presidents of the American Economics Association, released a statement calling for a raise in the minimum wage. They confirm that ''a modest increase in the minimum wage would improve the well-being of low-wage workers and would not have the adverse effects that critics have claimed. . . . The weight of the evidence suggests that modest increases in the minimum wage have very little or no effect on employment.''

Moreover, and interestingly, a recent Gallup Poll revealed that 86 percent of small business owners today do not believe that an increase in the minimum wage would hurt their business. Three-fourths of small business owners thought a 10-percent increase would have no effect on them. In fact, nearly half of those polled thought the minimum wage should be increased.

While I believe it is important to raise the minimum wage to $7.25 an hour, it is clear to me that much more needs to be done. We should see this increase—long overdue—in the minimum wage as simply a start to address the disgraceful reality that more and more of our fellow Americans are living in poverty, and it is an outrage that today in the United States of America we have, by far, the highest rate of childhood poverty in the industrialized world.

In the last 10 years, what we have seen in our country is a proliferation of millionaires and billionaires. We have seen the wealthiest people become ever wealthier. But what we have also seen, since President Bush has been in office, is that over 5 million more Americans have slipped into poverty. The rich become richer, the poor become poorer, and the middle class continues to shrink. In my view, raising the minimum wage is an important start in attempting to address the crisis of poverty in America, but it is clear to me that we have to do much more. Among many other things we have to do, we must address the reality in America today that we are losing millions of good-paying manufacturing jobs and good-paying white-collar information technology jobs because of our disastrous trade agreements.

The time is now to begin to fundamentally rethink our trade agreements so we can begin to create good-paying jobs here in the United States, so our young people will be able to make it to the middle class rather than to continue to struggle year after year in poverty.

We have to take a hard look at the National Labor Relations Act and the National Labor Relations Board, which today make it increasingly hard for workers to form unions. If workers are able to collectively negotiate a contract, very often the wages they get will be substantially higher than if they did not have a union. So in raising the minimum wage, what we are doing today is saying to millions of workers who are struggling desperately to keep

their heads above water, we understand what you are going through. We understand it is an outrage that for a 10-year period this Congress has not raised the minimum wage, and the purchasing value of the minimum wage has declined. But I hope that what we are doing this week is simply a start to address the very serious economic problems facing not only low-income Americans but the middle class as well.

I hope that this Senate, this Congress, will begin focusing its attention on the decline of the middle class, the increase of poverty, and come up with economic and fiscal policies that benefit all Americans and not just the wealthy and large multinational corporations.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. GRAHAM. Madam President, I ask unanimous consent to speak for 5 minutes as in morning business.

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

NEW STRATEGY IN IRAQ

Mr. GRAHAM. Madam President, the reason I rise to take the floor is this afternoon—I think the Presiding Officer was present in the Armed Services Committee hearing when General Petraeus testified about the new strategy in Iraq. I hope that over time more Americans will be familiar with him and his view of what we can do to go forward.

In his testimony, General Petraeus clearly indicated we have made a lot of mistakes in Iraq. We never had enough troops to secure the country, and the debaathification program basically was a mistake. Other agencies involved in nationbuilding have not done their part. Militias have grown. The biggest event in the sectarian violence was the bombing of the Shia Golden Dome Mosque, and since that event, which was al-Qaida-inspired, we have been going backward instead of forward and the sectarian violence in Baghdad has gotten worse.

But General Petraeus believes this new strategy is not more people doing the same thing. It is a fundamentally different shift in policy. I agree with him and hope the country will listen closely to what he says. I have a lot of confidence in General Petraeus. I intend to support him.

I will not vote for any resolution that declares a strategy of failure before he has a chance to implement it because if we do that, it is going to be a very bad sendoff for our troops going into battle. It will embolden the enemy and weaken the moderates we eventually have to rely on in the Mideast to help us in the war on terror.

The strategy will be similar to this: We will be increasing reinforcements on all fronts. We have had enough military people in Iraq to clear territory but never hold it. We never lost a battle with insurgents. We can clear out a town or sector of Baghdad, but once we leave, we turn it over to an immature Iraqi Army or corrupt police force.

What we are doing by having 21,500 more troops is it doubles the combat capability of American forces in Baghdad to 17,500, and that will allow some soldiers to stay behind with the Iraqis to hold territory. Hold for what purpose? To give the political leadership in Iraq a chance to reconcile their differences through the political process.

Ask General Petraeus: Do you believe Iraq is part of the overall global war on terror?

I do.

If you believe it is a Vietnam which is a lost cause and not worth fighting for and we need to get out, don't pass a resolution condemning the action. Cut off funding. If you believe it is part of the global war on terror, as I do, we need to fight to win. I think that is exactly what we are trying to do. We are going to reinforce the military so we can hold, to give the Iraqi leadership a chance to reconcile the problems politically. I don't believe any political group could find democracy or common ground in this much violence. It is hard enough for us to find a solution to immigration and none of us being shot at. Can you imagine trying to reconcile a country oppressed by dictators for over 30 years with this level of violence?

If we can control the violence, I think it will lead to a better political result. They have to share the oil revenues with the Sunnis. The Sunnis have to have something to fight for, not against. That has to happen. At the end of the day, a million troops won't change Baghdad or Iraq if the Iraqi people are not willing to make the accommodations they need to make. They are under siege. They need reinforcements.

On the economic front, 70 percent of our casualties come from improvised explosive devices, somebody planting a bomb along the side of the road. Some people are planting those bombs because they don't have a job. They don't have any way to support their family, so they are taking money from the insurgents. Let's create an economy to give them an option other than planting bombs.

Secondly, some people are planting bombs because there is no downside. Once you get caught, you get released. We need a robust rule of law. If you want to change the way our troops are treated in Iraq, put people in jail for a very long time for attacking our troops. That will be a deterrent.

Finally, more military presence will put pressure on those making these explosive devices. This is a surge on all fronts. He is confident this plan will work. He understands the Iraqi political leadership has to do their part. The Iraqi military has to do their part. But the sectarian violence has come about because al-Qaida hit the motherload when they blew up the Golden Mosque. We cannot let al-Qaida win in destabilizing Iraq. They went to Iraq behind us because they understand that the consequences of success in Iraq are not confined to Iraq. If you can have a stable, functioning democracy that is tolerant, then it will spread to other areas of the Mideast and will be a mighty blow to the al-Qaida agenda.

We need to understand that a failed state in Iraq creates chaos for not just us but the world. Iran becomes a big winner. The south of Iraq becomes a puppet state of Iran. We could have a war between Turkey and the Kurds in the north. And if there is a bloodbath in Bagdad, which there surely will be if we leave, then Sunni Arab nations are going to get involved, and the whole region becomes much more unstable.

I urge my colleagues to listen to General Petraeus and ask the question: Do you have confidence in this man to do what he says he can do? And if the answer is yes, don't undermine him before he leaves. Give him the resources he needs. If you don't have confidence in him and our military and our leadership to change policy and strategy and be successful, don't let one more person go to Iraq to get killed or wounded in a lost cause. You should have the courage of your convictions to cut off funding. A middle-ground solution is the worst of all worlds.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENTS NOS. 152, 153, AND 154 EN BLOC

Mr. ENZI. Madam President, on behalf of Senator ENSIGN, I call up amendments Nos. 152, 153, and 154.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI], for Mr. ENSIGN, proposes amendments numbered No. 152, 153, and 154 en bloc.

Mr. ENZI. Madam President, I ask unanimous consent that the reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 152

(Purpose: To reduce document fraud, prevent identity theft, and preserve the integrity of the Social Security system)

At the appropriate place, insert the following:

SEC. ___. PRECLUSION OF SOCIAL SECURITY CREDITS PRIOR TO ENUMERATION.

(a) INSURED STATUS.—Section 214 of the Social Security Act (42 U.S.C. 414) is amended by adding at the end, the following new subsection:

''(d)(1) Except as provided in paragraph (2), no quarter of coverage shall be credited for purposes of this section if, with respect to any individual who is assigned a social security account number on or after the date of enactment of the Fair Minimum Wage Act of 2007, such quarter of coverage is earned prior to the year in which such social security account number is assigned.

''(2) Paragraph (1) shall not apply with respect to any quarter of coverage earned by an individual who, at such time such quarter of coverage is earned, satisfies the criterion specified in subsection (c)(2).''.

(b) BENEFIT COMPUTATION.—Section 215(e) of such Act (42 U.S.C. 415(e)) is amended—

(1) by striking ''and'' at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(3) in computing the average indexed monthly earnings of an individual who is assigned a social security account number on or after the date of enactment of the Fair Minimum Wage Act of 2007, there shall not be counted any wages or self-employment income for which no quarter of coverage may be credited to such individual as a result of the application of section 214(d).''.

AMENDMENT NO. 153

(Purpose: To preserve and protect Social Security benefits of American workers, including those making minimum wage, and to help ensure greater congressional oversight of the Social Security system by requiring that both Houses of Congress approve a totalization agreement before the agreement, giving foreign workers Social Security benefits, can go into effect)

At the appropriate place, insert the following:

SEC. ___. TRANSMITTAL AND APPROVAL OF TOTALIZATION AGREEMENTS.

(a) IN GENERAL.—Section 233(e) of the Social Security Act (42 U.S.C. 433(e)) is amended to read as follows:

''(e)(1) Any agreement to establish a totalization arrangement which is entered into with another country under this section shall enter into force with respect to the United States if (and only if)—

''(A) the President, at least 90 calendar days before the date on which the President enters into the agreement, notifies each House of Congress of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register,

''(B) the President transmits the text of such agreement to each House of Congress as provided in paragraph (2), and

''(C) an approval resolution regarding such agreement has passed both Houses of Congress and has been enacted into law.

''(2)(A) Whenever an agreement referred to in paragraph (1) is entered into, the President shall transmit to each House of Congress a document setting forth the final legal text of such agreement and including a report by the President in support of such agreement. The President's report shall include the following:

''(i) An estimate by the Chief Actuary of the Social Security Administration of the effect of the agreement, in the short term and in the long term, on the receipts and disbursements under the social security system established by this title.

''(ii) A statement of any administrative action proposed to implement the agreement and how such action will change or affect existing law.

''(iii) A statement describing whether and how the agreement changes provisions of an agreement previously negotiated.

''(iv) A statement describing how and to what extent the agreement makes progress in achieving the purposes, policies, and objectives of this title.

''(v) An estimate by the Chief Actuary of the Social Security Administration, working in consultation with the Comptroller General of the United States, of the number of individuals who may become eligible for any benefits under this title or who may otherwise be affected by the agreement.

''(vi) An assessment of the integrity of the retirement data and records (including birth, death, and marriage records) of the other country that is the subject of the agreement.

''(vii) An assessment of the ability of such country to track and monitor recipients of benefits under such agreement.

''(B) If any separate agreement or other understanding with another country (whether oral or in writing) relating to an agreement to establish a totalization arrangement under this section is not disclosed to Congress in the transmittal to Congress under this paragraph of the agreement to establish a totalization arrangement, then such separate agreement or understanding shall not be considered to be part of the agreement approved by Congress under this section and shall have no force and effect under United States law.

''(3) For purposes of this subsection, the term 'approval resolution' means a joint resolution, the matter after the resolving clause of which is as follows: 'That the proposed agreement entered into pursuant to section 233 of the Social Security Act between the United States and _____ establishing totalization arrangements between the social security system established by title II of such Act and the social security system of _____, transmitted to Congress by the President on _____, is hereby approved.', the first two blanks therein being filled with the name of the country with which the United States entered into the agreement, and the third blank therein being filled with the date of the transmittal of the agreement to Congress.

''(4) Whenever a document setting forth an agreement entered into under this section and the President's report in support of the agreement is transmitted to Congress pursuant to paragraph (2), copies of such document shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

''(5) On the day on which a document setting forth the agreement is transmitted to the House of Representatives and the Senate pursuant to paragraph (1), an approval resolution with respect to such agreement shall be introduced (by request) in the House by the majority leader of the House, for himself or herself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself or herself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such an agreement is transmitted, the approval resolution with respect to such agreement shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. The resolution introduced in the House of Representatives shall be referred to the Committee on Ways and Means and the resolution introduced in the Senate shall be referred to the Committee on Finance.''.

(b) ADDITIONAL REPORTS AND EVALUATIONS.—Section 233 of the Social Security Act (42 U.S.C. 433) is amended by adding at the end the following new subsections:

''(f) BIENNIAL SSA REPORT ON IMPACT OF TOTALIZATION AGREEMENTS.—

''(1) REPORT.—For any totalization agreement transmitted to Congress on or after January 1, 2007, the Commissioner of Social Security shall submit a report to Congress and the Comptroller General that—

''(A) compares the estimates contained in the report submitted to Congress under clauses (i) and (v) of subsection (e)(2)(A) with respect to that agreement with the actual number of individuals affected by the agreement and the actual effect of the agreement on social security system receipts and disbursements; and

''(B) contains recommendations for adjusting the methods used to make the estimates.

''(2) DATES FOR SUBMISSION.—The report required under this subsection shall be provided not later than 2 years after the effective date of the totalization agreement that is the subject of the report and biennially thereafter.

''(g) GAO EVALUATION AND REPORT.—

''(1) EVALUATION OF INITIAL REPORT ON IMPACT OF TOTALIZATION AGREEMENTS.—With respect to each initial report regarding a totalization agreement submitted under subsection (f), the Comptroller General of the United States shall conduct an evaluation of the report that includes—

''(A) an evaluation of the procedures used for making the estimates required by subsection (e)(2)(A);

''(B) an evaluation of the procedures used for determining the actual number of individuals affected by the agreement and the effects of the totalization agreement on receipts and disbursements under the social security system; and

''(C) such recommendations as the Comptroller General determines appropriate.

''(2) REPORT.—Not later than 1 year after the date of submission of an initial report regarding a totalization agreement under subsection (f), the Comptroller General shall submit to Congress a report setting forth the results of the evaluation conducted under paragraph (1).

''(3) DATA COLLECTION.—The Commissioner of Social Security shall collect and maintain the data necessary for the Comptroller General of the United States to conduct the evaluation required by paragraph (1).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to agreements establishing totalization arrangements entered into under section 233 of the Social Security Act which are transmitted to Congress on or after January 1, 2007.

AMENDMENT NO. 154

(Purpose: To improve access to affordable health care)

At the appropriate place, insert the following:

SEC. ___. NON-GROUP HIGH DEDUCTIBLE HEALTH PLAN PREMIUMS OPTIONS.

(a) IN GENERAL.—Section 223(d)(2)(C) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by adding at the end the following new clause:

''(v) a high deductible health plan, other than a group health plan (as defined in section 5000(b)(1)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

AMENDMENT NO. 106, AS MODIFIED

Mr. ENZI. Madam President, in a while, we will take some action on Senator SESSIONS' amendment. I would like to make a couple comments on that amendment before we get to that point. This might be an appropriate time.

Last year, Congress undertook the most sweeping changes to pension law since the enactment of ERISA. It was a major milestone and resulted in the most comprehensive change to workers' and their families' pension and retirement savings in the past 32 years.

The Pension Protection Act could not have been enacted without bipartisan cooperation, but it took more than Republicans and Democrats working together. The Pension Protection

Act resulted from a deep commitment toward cooperation between the Finance Committee, which oversaw the tax provisions of the bill, and the Health, Education, Labor, and Pensions Committee, which oversaw the pensions provisions.

On the Health, Education, Labor, and Pensions Committee, we had previously taken a strong bipartisan look at retirement issues and retirement savings as part of our pension oversight duties. The new chairman of the committee has stated he will continue the committee's strong pension oversight responsibilities in order to protect and strengthen the retirement savings so that workers and their families may prosper long into their retirement years.

The sense-of-the-Senate resolution before us expresses the sentiment that saving for retirement is important. We all agree with that point. The fact is that savings opportunities are available almost everywhere, but many workers do not take advantage of it. By this sense-of-the-Senate resolution, we are not advocating any particular retirement programs or initiatives over others on the books already or proposed to be introduced. We are simply saying that people ought to save enough to maintain their standard of living during their golden years, and they ought to invest prudently so that their savings will be safe when they do retire.

Better financial education and investment advice is needed. Automatic enrollment rules that were enacted in the Pension Protection Act will help people learn to save. New default investment regulations, when finalized, will help too.

In that respect, progress has been made in saving for retirement, but much needs to be done.

I am happy to join with my colleagues in reiterating the commitment by supporting the sense-of-the-Senate resolution.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I expect we will vote at a quarter to 5 or so on the Sessions amendment. I will vote in favor and urge my colleagues to vote in favor.

Americans who have worked hard and played by the rules for a lifetime deserve a secure retirement. They deserve to be able to enjoy their golden years, spend time with their families, and rest after a lifetime of hard work. We need to be sure they have the income they need for gasoline, prescription drugs, and other needs of daily living.

As my friend and colleague, Senator ENZI, pointed out, we passed a comprehensive bill last year. It was the result of years of work by the HELP and Finance Committees. That work took steps to strengthen our pension system and increase retirement savings, but we still have a long way to go. Half of Americans have no type of pension plan at all in their workplace. And today, Americans have negative savings rates for the first time since the Great Depression.

In order to guarantee a secure retirement for Americans, we need to ensure that the three legs of retirement security are all there: Social Security, private pensions, and personal savings. Each one of these legs plays a vital role, and we need to strengthen all three—Social Security, private pensions, and personal savings.

I know the Senator from Alabama has proposed ideas for creating and expanding personal savings. Our staff has been talking about these ideas and many proposals are being developed by Senator BAUCUS, Senator BINGAMAN, Senator CONRAD, and others. I look forward to continuing to work with Senator ENZI, Senator MIKULSKI, and Senator BYRD on our Retirement Security Subcommittee.

This is an area of enormous concern for working families in this country—what is going to happen during their golden years. They look forward to Social Security, and we are going to have to address that issue. We are going to have to address the Medicare issue, which will begin to run out of funds in, I believe, 2018.

We know that defined benefit programs have been collapsing over the years, and 401(k)s that have tried to fill in have not played the role that defined benefit plans played in terms of giving answers to workers, and we have seen that the personal savings accounts brought out during the discussions by Senator ENZI and Senator SESSIONS have been in rapid decline.

The indicators are all moving in the wrong direction, in terms of a firm, secure, dependable, and reliable retirement program for working families in this country. We should find ways to work to encourage a change in that policy.

At the appropriate time, when the Senator comes back, we will dispose of the Senator's amendment. We are at an appropriate time.

Madam President, I ask unanimous consent that at 4:45 p.m. today, the Senate proceed to a vote on or in relation to the Session's amendment No. 106, as modified; that there be 2 minutes of debate equally divided and controlled between Senator KENNEDY and Senator SESSIONS prior to the vote; and that no second-degree amendment be in order to the amendment prior to the vote.

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

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

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

Mr. ENZI. Madam President, too often when we debate the issue of minimum wage, we focus on abstract ideas and proposals and fail to consider the impact of our actions on the small business community that lives and breathes in the real world. I appreciate the cooperation with Senator REID and others, focused around Senator BAUCUS and Senator GRASSLEY, working in a very bipartisan way to put together a package that would help to relieve some of the impact of the minimum wage increase. I hope everyone has noticed that in the minimum wage debate we have been having, the debate has not been over whether to raise the minimum wage. The debate has been on what we can do to alleviate some of the impact on small business. I hope that is the way we can continue the discussion on this, too.

I mentioned earlier today that you need to meet some of these small businessmen. They are in your neighborhood. You can meet them easily. They run the laundry, corner grocery, little retail stores. For the most part they are families who are eking out a living while they are taking on a lot of risk. They do have these moments that they wonder why they undertook that risk and how they are going to continue to fund that risk. Sometimes they are paying employees when they can't even afford to pay themselves, and their families are relying on the business to support them as a family, too, particularly considering all the risks they are taking.

Sometimes they are forced to come up with additional funds to pay their workers on what we will be mandating. Those funds do not come from a money tree or some pot of gold at the end of the rainbow. They come out of the pockets of the Nation's small businessmen. It is the penalty they pay for taking the risks associated with running a small business.

The first hearing I held in Wyoming was as part of the Small Business Committee. We had a hearing on some of the problems of small business. When it was over, one of the reporters came up and said: You only had about 100 small businessmen attend this. Why do you suppose it was such a poor turnout?

I said: That wasn't a poor turnout from small business. If small business had an extra employee to send to a day's conference, they would fire him. They can't afford extra people.

With that realization, it was a good turnout and there were a lot of good suggestions. I always like to go back to Wyoming and meet with the people and actually talk to the guy on the end of the shovel because he usually has the best suggestions for changing the shovel. I found that to be true of the small businessmen.

This afternoon we agreed to an amendment that will provide for easier compliance with Federal rules and regulations, and I appreciate the bipartisan action that was taken. That will make a huge difference to small businessmen.

We could consider that the action we are about to take will be making it bad business for people to hire people who need some help and support in developing their skills by that method, making them higher wage workers. That cannot help but cost some people their jobs. In other instances, the hours they need will be cut back, hours that they need to get a good paycheck.

We cannot leave the floor today feeling better about having helped ease the income strain for many of the workers of our States but having left the employers wondering how to pay for the increases we have mandated. Once again, we have the best of intentions, but, once again, we have to remember one simple rule: It is not our money. We are, once again, reaching into the pockets of the small businessmen in our community and taking their money and telling them the amount of wages they will pay their employees without regard to the talents and abilities of the employees they can hire.

We have this huge job training corps out there. It is called small businesses. They take people who don't have the skills that are necessary for the small business they are operating and they teach them how to run a cash register, how to count change, how to interact with a customer, how to dress appropriately.

You might think these are all things that might be covered in school classes, and they are, if you take the right classes. But there are a lot of people who not only don't take the right classes, they drop out of school. They need to earn a living and they have to start somewhere earning a living. To earn that living they have to have some training, some basic job training. A lot of these small businesses are where they get that basic business training, and they kind of get it for free. The businessmen provide that information, and most of the people in the minimum wage level move up rather quickly. As they learn those skills, they get paid more. I know a lot of businesses where they have the minimum wage situation that lasts about 3 weeks if the people learn enough to advance so they can actually wait on the customer.

What we are talking about is a blanket increase that will warm the hearts of those who lack the skills for higher wage jobs as it leaves the employers out in the cold, unless we do the Reid package. Any increase in the minimum wage must be offset by a small business tax incentive package.

As a former small business owner of mom-and-pop shoe stores, let me walk through the realities of how business owners may address a mandated Federal minimum wage hike. Raising the minimum wage to $7.50 imposes a 41-percent increase in labor costs for a small employer with minimum wage workers. Every employer must face the very real issue of how he or she will deal with this increase in the costs and still meet the payroll week after week.

These are very real and difficult questions that impact our smallest employers most heavily. These increases must be paid for by employers and, as I said before, the money doesn't grow on trees. An employer must make hard decisions about how to meet these increased payroll obligations.

When costs go up, most businesses first look to cut expenses. The choices they have can be difficult and have often already been used. To meet higher mandated payroll costs, a small employer may be forced to consider cutting back on benefits such as health insurance, retirement, or leave plans—although a lot of small businesses can't afford to provide those in the first place.

It is simply too easy to forget that fringe benefits have a significant cost. Most employees don't realize the benefit they are getting when they get those. If a small employer has to reduce expenses to meet payroll, those are often the costs that go.

I know of a video store—I was talking to a young man who works in the Senate now, and he used to work in the Senate and part-time in a video store. When the minimum wage went up last time, what the video store did was instead of having two people at the store at the close of business, they only had one, and only having one isn't nearly as safe as having two. But that was the choice that the owner had to make in order to be able to meet the payroll.

We have seen some charts where, in States where there has been a raise in minimum wage, there has been an increase in number of jobs as well. I appreciate those charts and believe those charts to be accurate. What those charts are doing, though, is aggregating for the entire State. What we are doing is imposing this on one business at a time, one employee at a time. It really gets down to as local as politics ever gets. Those small businessmen believe that individuals matter, that people matter, and they are forced into some of these choices. There are not a whole lot of ways they can compensate for the change.

I have a chart that shows how to cut costs when there are none to cut. This came from the Washington Post. It says:

> We're at the bottom. If the minimum wage went up, I don't know how we would make the cuts to cover it . . . the employee said.

The lone salaried employee, she works 80 hours a week to make up for the lack of workers. "I have mixed feelings," she continued. "I know that people can't afford to live on $5.15 an hour. But on the business side, small businesses can't afford to pay it."

There are examples like that that are real-life situations that do make it difficult. That is the lone employee in a store.

Beyond cutting fringe benefits, small businesses may need to consider cutting back work hours, eliminating overtime, or laying off workers. Such actions are traditional and often necessary responses to meeting increased costs—not just the increased costs of the minimum wage. Unfortunately, these actions ultimately hurt the very workers the minimum wage increase is designed to help.

Some would say raise the prices. That is not always possible in the short run. In the long run there may be some flexibility because this is going to be imposed on everybody and will drive up prices. Of course, when it drives up prices, it kind of eliminates the benefit of the increase in the minimum wage. In the real world, small employers have to consider these types of options to cope with mandated increases in wages. Small business owners who themselves favor a minimum wage increase nonetheless recognize that any increase may result in having to make these tough choices.

In a recent front-page Washington Post article, the owner of a discount store in Kansas noted that, while he felt a wage of $7.25 seemed fair, he also noted that his profit margin was thin and that wages are his biggest controllable expense. He said: If wages go up, hours will have to come down. And the question will become: Whose, his stockman who works 6 hours a day and takes care of a wife who is blind and arthritic or should it be another worker who is ill and is on a waiting list for an organ transplant and needs more hours rather than fewer or yet another employee who is 22 years old and pregnant? These are hard realities that are faced by many small employers and those who work with them.

I ask unanimous consent that an article from the Washington Post that came out recently—I congratulate the writer of that article—be printed in the RECORD.

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

[From the Washington Post, Jan. 10, 2007]

LIFE AT $7.25 AN HOUR

(By David Finkel)

ATCHISON, KS.—It was payday. Money, at last. Twenty-two-year-old Robert Iles wanted to celebrate. "Tonight, chimichangas!" he announced.

He was on his way out of the store where his full-time job pays him $7.25 an hour—the rate that is likely to become the nation's new minimum wage. Life at $7.25; This is the life of Robert Iles and with $70 in a wallet that had been empty that morning, he headed to a grocery store where for $4.98 he bought not only 10 chimichangas but two burritos as well.

From there he stopped at a convenience store, where for $16.70 he filled the gas tank of the car he purchased when he got his raise to $7.25; then he went to another grocery stores where he got a $21.78 money order to pay down some bills, including $8,000 in medical bills from the day he accidentally sliced open several fingers with a knife while trying to cut a tomato; and then he headed toward the family trailer 19 miles away, where his parents were waiting for dinner.

Today in Washington, the House is scheduled to vote on whether to increase the federal minimum wage from $5.15 to $7.25. Passage is expected, with Senate approval soon to follow, and if President Bush signs the resulting bill into law, as he indicated he

would, the U.S. minimum wage would rise for the first time since 1997, ending a debate about whether such a raise would be good or bad for the economy.

But even if the matter is settled in Congress, it isn't settled at all in Atchison, and Robert Iles's drive home is proof. Every stop he made on his ride home revealed a different facet of how complicated the minimum wage can be in the parts of America where, instead of a debatable issue, it is a way of life.

At the store where Iles works, for instance, the owner thinks the minimum wage should be increased as a moral issue but worries about which employees' hours he will have to cut to compensate.

At the store where he bought the chimichangas, the cashier who makes $6.25 worries that a raise will force her out of her subsidized apartment and onto the street.

At the convenience store where he bought gas, the owner worries that he will have to either raise prices, angering his customers, or make less money, ''and why would I want to make less money?''

At the store where he got the money order, the worries are about Wal-Mart, which not only supports an increase but also built a Supercenter on the edge of town that has been sucking up customers since it opened three years ago.

As for Iles—who keeps $70 out of every paycheck to cover two weeks' worth of food and gas and in a matter of minutes was already down to $26.54—his worry was as basic as how fast to drive home.

Drive too fast and he'd be wasting gas. But his family was waiting. And his chimichangas, best cooked frozen, were starting to thaw.

THE MEANING OF A DOLLAR

The debate about the minimum wage usually comes down to jobs. If Congress approves the increase it will result in raises for an estimated 13 million Americans, or about 9 percent of the total workforce. That's a percentage that most economists agree would cause a modest increase in national unemployment. In Kansas, however, ''it would have a fairly significant impact,'' said Beth Martino, a spokeswoman for the state Department of Labor. According to one independent analysis, 16 percent of the workforce, or 237,000 workers, would be affected—and that doesn't include the 20,000 whose wages aren't governed by the federal Fair Labor Standards Act and earn the state minimum wage of $2.65. That rate, the lowest in the nation and unchanged since 1988, hints at the prevailing wisdom in Kansas about the minimum wage, which is that the only way low-wage earners will make more is through congressional action.

This holds true from Topeka, where the powerful Kansas Chamber of Commerce has long opposed any raise, to rural Mulvane, home of Republican state legislator Ted Powers, who says his futile effort three year's ago to raise the state minimum wage resulted in his being branded a ''dirty dog,'' to Atchison, a working-class city of 11,000 where the stores that depend on low-wage workers include one called ''Wow Only $1.00!'' This is the store where Robert Iles has worked for five years.

''Robert, would you help me a second?'' Jack Bower, the owner, called to Iles soon after opening, as the line at the cash register grew. A onetime Wal-Mart vice president, Bower moved back to Atchison several years ago to teach and ended up buying the old J.C. Penney store, and now runs a business where the meaning of a dollar is displayed on shelf after shelf. The jar of Peter Piper's Hot Dog Relish? That's what a dollar is worth. The Wolfgang Puck Odor Eliminator that a customer was looking at as she said to a friend, ''I just don't know how I'm ever going to make it. My ex-husband's not paying his child support''? That's a dollar, too, as is the home pregnancy test, the most shoplifted item in the store.

''This is not a wealthy community,'' Bower explained. ''The thing is, a lot of people depend on this store.''

Robert Iles has his own version of a dollar's meaning, learned last February when Bower took him aside and said he would be getting a pay raise to $7.25. ''Okay,'' Iles remembers replying, wanting to seem business-like. ''But inside I was doing the cha-cha-cha,'' he said. ''It was like going from lower class to lower middle class.''

Soon after, he bought his car, a used 2005 Dodge Neon, and just about every workday since then he has spent his lunch break in the driver's seat, eating a bologna sandwich with the engine off to save gas, even in winter. An hour later, he was back behind the cash register, telling customers ''Thank you and have a nice day'' again and again.

And meanwhile, Jack Bower wondered whose hours he will cut if he has to give his employees a raise.

It's not that he's against raising the minimum wage—''I don't think $5.15 is adequate,'' he said, adding that $7.25 seems fair—but his profit margin is thin, and wages are his biggest controllable expense. So if wages go up, he said, hours will have to come down, and the question will become: Whose?

Will it be Neil Simpson, 66, who works six hours a day as a stockman, and then five more hours somewhere else cleaning floors, and takes care of a wife who is blind and arthritic?

Will it be Susan Irons 57, who was infected with hepatitis C from a blood transfusion, is on a waiting list for a liver transplant and needs more hours rather than fewer?

Will it be Christina Lux, who is 22 years old and 13 weeks pregnant?

Will it be Iles?

''Attention, all shoppers,'' he said into the microphone. ''We will be closing in 10 minutes. Please begin making your final selections.'' Ten minutes later, he was clocked out and back in his Neon. ''My brand new car,'' he called it proudly, and he explained how he was able to afford it on $7.25 an hour: a no-money-down loan for which he will pay $313.13 a month until 2012.

SMALL BUSINESS ''AT BOTTOM''

Seven dollars and twenty-five cents an hour equals $15,080 per year, and out of that comes $313 for the car loan and $100 for car insurance, Iles said, going over his monthly bills. An additional $90 for the 1995 car with 135,000 miles on it that he is buying from a friend for his mother, $150 for the family phone bills, $35 on his credit card, $100 for gas $100 toward the mortgage on the trailer. ''That's about it. Oh yeah, $20 in doctors' bills,'' he said, and totaled it up on fingers scarred by surgical stitches. Nine hundred and eight dollars. ''I bring home 900 a month,'' he said. ''So I very rarely have any money for myself.''

He parked in front of a store called Always Low Prices, which has the cheapest chimichangas in town.

Once it was a full-service grocery store with 28 employees. Then came word that Wal-Mart was looking for land for a Supercenter, and now it has become a bare-bones operation where the starting pay for its few employees is $5.50, and the manager wonders how the store will survive if wages increase.

''We're at the bottom. If the minimum wage went up, I don't know how we would make the cuts to cover it,'' Michelle Henry said. The lone salaried employee, she works 80 hours a week to make up for the lack of workers. ''I have mixed feelings,'' she continued. ''I know that people can't afford to live on $5.15 an hour. But on the business side, small businesses can't afford to pay it.''

At the register, meanwhile, Shannon Wilk, 33, who makes $6.25 an hour, said that of course she would like to earn more money. It would help her. It would help her 18-month-old daughter. ''It would be good,'' she said, ''but also, for me, I live in income-based housing, and if I get a raise, my rent would go up, and I would lose my assistance.'' Even the tiniest raise would affect her, she said, and with nowhere to go, the last thing she can afford is a raise to $7.25.

In such an equation, the fact that she was working in Kansas was to her benefit. Atchison sits on the Kansas-Missouri border, and if Wilk worked a few hundred yards to the east, she would already be in jeopardy: In November Missouri voters supported a ballot initiative increasing the state's minimum wage to $6.50, with an annual adjustment for inflation. Five other states had similar votes, with similar results, bringing to 29 the number that now require an hourly wage above the federal minimum, In the District the minimum is $7, in Maryland it's $6.15, and in Virginia it's $5.15.

Such is the arbitrariness of state-by-state minimum wage laws that Wilk feels lucky to be in Kansas making $6.25 an hour while inside at the first grocery store across the Missouri state line, the cashier was ecstatic that she was in a place where her pay was going from $6.20 to $6.50, explaining, ''That's 30 cents more I ain't got.''

Iles handed over a $10 bill for his 10 chimichangas and two burritos. He stuffed the change deep in his pocket, and headed next to a convenience store owned by a man named Bill Murphy, who said that if he had the chance to talk to new House Speaker Nancy Pelosi, he would ask one question. ''Where does she think the money will come from? And that is the question,'' he said. ''My wages are going to go up 10 percent.''

Unlike Jack Bower who would compensate by cutting hours. Murphy said that in his two convenience stores there are no hours to cut. ''I'm going to have to raise my prices,'' he said—not only because his workers who make less than the new minimum wage would get raises but also because those who earn more would insist on raises as well. Employees at $7.25 will want $8.25. Those at $8.25 will want $9.25.

Economists classify such workers as the ones who would be indirectly affected by a minimum-wage increase. Of the estimated 13 million workers expected to get raises, 7.4 million are in that category. ''You've created this entitlement,'' Murphy said he would tell Pelosi.

And yet he will pay it, he said, and compensate with price increases, which he worries will be inflationary, even though most economists say that won't happen. He will raise prices he continued, because the only other option would be to earn less money, which he doesn't want to do because he owes $1.5 million on his businesses and wouldn't want to default.

''Now that might be a stretch in some people's minds, from giving a guy a raise to not being able to pay the bank, but that's the path I'm talking about,'' he said. Against such a dire backdrop, Iles put $17 worth of gas in his car.

''That'll be $16.70,'' the clerk said to him, and instead of correcting this. Iles gladly took the change.

Thirty cents, suddenly got.

THE WAL-MART FACTOR

Iles drove past the Atchison Inn, where starting pay i$ $5.15, past Movie Gallery, where it's also $5.15, and stopped in front of

Country Mart, the fanciest grocery store in town, where high school students start at $5.15 and, according to owner Dennis Garrett, ''some of them aren't worth that.''

A few days earlier, Garrett had gotten a letter from a lobbying consortium called the Coalition for Job Opportunities, urging him to write Congress to protest the minimum-wage increase. It came in the form of a letter already written, to which he merely had to add his congressman's name and send it off to Washington. ''We are very concerned,'' the letter began. and it was signed by 25 organizations.

The most conspicuous signature, though, was the one that wasn't there, that of Wal-Mart, the nation's largest private employer, with 1.3 million workers. Wal-Mart won't say how many of those workers earn less than what the new minimum wage would be, but if the Atchison store is an example, starting pay is $6 an hour.

Nonetheless, in October 2005, Wal-Mart chief executive H. Lee Scott Jr. said in a speech that the ''U.S. minimum wage of $5.15 an hour has not been raised in nearly a decade, and we believe it is out of date with the times,'' He went on to say, ''Our customers simply don't have the money to buy basic necessities between paychecks.''

When it comes to Wal-Mart, however, just about any announcement that affects public policy is greeted with suspicion, and that has been the case with the minimum wage. Some have said that Wal-Mart, in need of good publicity, is supporting an increase for public relations reasons; others have declared it an attempt to drive small, independently owned stores out of business.

These suspicions exist in Atchison as well. As in many small communities, Wal-Mart defines local retail, and just as Always Low Prices had to retool itself, Country Mart was significantly affected by Wal-Mart's new food-stocked Supercenter several miles away.

What is Wal-Mart up to? What are its true motives? Like many others, Dennis Garrett wonders. He imagines public relations is part of it, but he didn't want to speculate on whether this was an attempt to put him out of business, except to say that raising some wages wouldn't do that. He'd reduce some hours, he said. He'd manage.

Yes, Atchison businesses would be hurt initially, but in the long run, if unemployment increases, those hurt the most would be the very ones Wal-Mart insists would be helped—the customers, especially the younger ones, ''the people who don't advance their education and need a job between the ages of 16 and 21, 22, 23.''

In other words, many of the workers in Atchison, one of whom was now at Garrett's service counter buying a money order so he could pay bills. Even though Iles has a checking account, this is the method he prefers because if he were to pay by check, and the check were to bounce because of insufficient funds, the penalty would be devastating. A $25 fee would require more than three hours of work.

And where would those hours come from?

''IT'S TOUGH FOR ME''

So go the calculations of a $7.25 worker, now headed home.

''It's an old trailer,'' he explained earlier in the day.

The heat doesn't work, he said, and the water heater works sporadically.

One of the bedroom ceilings is caving in. He sleeps in the other bedroom, and his parents sleep in the living room because his father, who has diabetes and had to have several inches of one of his feet amputated, can't really get around.

Also, his father has leukemia. And is legally blind. And his mother, who once made $6.50 an hour as an aide at a nursing home, quit to take care of her husband.

''We're pretty much living off my money,'' Iles said, and in he went to cook them dinner, bring payday to an end and, the next morning, start the cycle again.

Life at $7.25. Should that be the minimum wage?

''Yes,'' Iles said.

Even if it hurts job opportunities for people like him, as Dennis Garrett had suggested?

''Yes.''

Or causes price increases, as Bill Murphy had suggested?

''Yes.''

Or damages businesses such as Always Low Prices?

''I mean, it's tough for me, and I'm already making $7.25 an hour.''

Or causes Jack Bower to reduce hours for one of his employees? Perhaps for Iles himself?

''It's just so hard for people. I mean it's hard,'' Iles said, and then he went to work.

''I think it'll be bad today,'' one of the workers suggested as the line at the Wow Only $1.00! cash register began to form.

''Well, it depends on your perspective,'' Iles said.

Mr. ENZI. The author of the article is really a master at showing how all of these things are intertwined. It is very revealing and makes a good case for the increase in the minimum wage. But it does show some of the decisions that will have to be made and how that will affect other people, some of whom will be in a similar situation.

In a similar vein, when confronted by higher labor costs, employers will naturally gravitate toward filling positions with their most highly skilled, experienced, and productive workers available. Once again, this phenomenon of replacing low-skilled with high-skilled workers in the face of rising labor costs winds up harming the very workers an increase in the minimum wage seeks to help. The minimum wage positions are very often the entryway into the world of work for those who lack skills and experience. I can't say that enough. I am hoping the Workforce Investment Act will kind of come out of this whole process, too, and provide some additional training so people with less skills can have more skills and get some of the choice jobs that this country has to offer. But mandated increases in the minimum wage run the risk of closing that entryway to many.

Another option, of course, for employers that has to be considered is automation as an alternative to a paid employee. Does this sound farfetched? Consider how the automated teller machines, the ATMs, have replaced tellers, how the self-checkout lane at many establishments has replaced the clerk, and the drive-through has replaced the waiter, and in toll booths the EZ Pass has replaced the toll collector—not all of them, but a lot of them who use the EZ Pass eliminate toll collectors. We have seen some charts on how productivity goes up when the minimum wage goes up. Sometimes productivity goes up when machines are instituted in place of people. They can work 24 hours a day, 7 days a week, 365 days a year. We don't pay them any health benefits. We may have a little bit of maintenance done on them. They don't get any vacation.

Employees are still necessary. I keep telling people that you can't outsource the fact when your toilet is plugged and you need some help or when your electric switch doesn't work, there are a lot of hands-on things that absolutely require people. But they are figuring out ways to automate a lot of these things. In Gillette, WY, where I am from, we have this huge worker shortage, and as I have said a number of times, I keep encouraging people to go west and find the new frontier and get some good jobs. But when they are pinched, they come up with some other ways of doing things. The drive-up for our McDonald's is actually handled out of California. When you drive up to the little window and you order your Big Mac, you are actually talking to someone in California who uses the Internet to send the order back to the people who are putting it all together to give to you when you get in your car. They have been able to increase the number of drive-throughs substantially using lower paid—this kind of amazes me—out of California. So automation is one of the answers.

Beyond these cost-cutting measures of eliminating benefits, reducing hours, downsizing, laying off employees, reducing low-skill and entry-level employment, and automating, employers may also have to face up to the prospect of increasing the price of their goods and services. Price increases caused by mandated cost increases bring their own catalog of ills. Such increases drive inflation and cause all consumers to ultimately pay the price of these mandates. The irony is that as the cost of these labor increases is passed to the consumers, it affects everyone, including the minimum wage worker, whose recently increased wages are suddenly devalued by the increased price for goods and services that impact them as well. So on this ladder of success, we have kind of removed the lower rung of it. So it is a little bigger step to get up there, and some of them aren't going to be able to make the step because of some of the ways that it has to be adjusted.

In the same Washington Post article I mentioned earlier, another small employer who owns two convenience stores noted that he simply does not have the option of cutting hours to meet his increased payroll burden. Instead, he noted: I am going to have to raise my prices. He indicated if he had the chance to talk with Speaker PELOSI about the minimum wage, he would ask one question, and that is: Where does she think the money will come from? Of course, it can be argued that his customers, if he raises the price for the candy bar or the cup of coffee, will go somewhere where it is cheaper, and that is a good possibility. That means that in order to maintain

the business, if he is going to raise those prices, he has to have employees who give better service, quicker service, and that goes back to the on-the-job training I was mentioning that a lot of these small businesses do. They have to have the good service in order to keep their loyal customers. Sometimes that doesn't just hinge on the price of the candy bar or a cup of coffee.

I believe almost all of us recognize these economic realities and that none of us want them to come about. It is for those precise reasons that the substitute amendment contains provisions designed to enable our smallest employers to meet the obligations imposed by a minimum wage increase without resorting to the difficult personnel choices, the consumer price increases or all of the other things I mentioned.

Yesterday, I spoke briefly about the fact that in legislating, it is often important to find a third way. In this instance, the third way is one that will provide an increase in the minimum wage but also provide relief to the most affected small businesses so that they don't experience employee dislocation, a reduction in employment opportunities for low-skilled and entry-level workers or an increase in consumer prices that takes away the real value of any wage increase.

The third way is represented by the real value of any wage increase. The third way is represented by the substitute amendment that was the product of extensive bipartisan support, Democrats and Republicans working together, acknowledging the fact that mandated cost increases can have negative economic effects. So together we developed a means of addressing those concerns in the form of a bipartisan substitute amendment. I can't emphasize enough how pleased I am with the cooperation I saw as people worked out different alternatives. There were certainly a wide variety of them that were done and I think with some concentration particularly on how they would affect small business. I would reiterate the bipartisan support of that small business tax incentive package. There are key Democratic leaders who have acknowledged the need for the package to offset any wage increase in order to not disenfranchise the employers and their workers.

So I hope we won't make this partisan now. As I mentioned yesterday, the Senator from Massachusetts, Mr. KENNEDY, and I have gone head to head on raising the minimum wage three times in the past several years. Each time, the votes were set up for each side to fail. This time around, we worked to come up with a third way in order to get the job done. I hope that all efforts to try and unravel this third way that will most likely result in a minimum wage increase isn't abandoned for the sake of making partisan messages. I urge my colleagues to continue to support the small business incentive package as a much-needed offset to the increased Federal wage.

I think this is a tremendous opportunity for us to do the right thing in all aspects, and I hope there will be good bipartisan support. I understand the desire to have a clean minimum wage, but that is what we have been going through for a couple of years now, and we are finally talking bipartisan. I think that was something that came out of the elections. I am pleased to see it is operating, and we will see how long it continues. I hope it continues through the entire session.

AMENDMENT NO. 108, AS MODIFIED

Mr. ENZI. Madam President, I ask unanimous consent that the Sessions amendment No. 108 be modified with the changes at the desk, and I urge its adoption, as modified.

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

The amendment (No. 108), as modified, is as follows:

At the appropriate place insert the following:

SEC. ___. STUDY OF UNIVERSAL USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall report to Congress on a study of the benefits, costs, risks, and barriers to workers and to businesses (with a special emphasis on small businesses) if the advance earned income tax credit program (under section 3507 of the Internal Revenue Code of 1986) included all recipients of the earned income tax credit (under section 32 of such Code) and what steps would be necessary to implement such inclusion.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 108), as modified, was agreed to.

Mr. ENZI. Madam President, I move to reconsider the vote.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 107 WITHDRAWN

Mr. ENZI. Madam President, I ask unanimous consent that the Sessions amendment No. 107 be withdrawn.

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

Mr. ENZI. Madam President, I yield the floor.

Mr. KENNEDY. Madam President, in about 6 or 7 minutes, we will be having a vote, and then I would expect the President's State of the Union Address will place demands on the Members, so that will mean we will probably move over until tomorrow. As I mentioned earlier, I hope our colleagues will vote in support of the Sessions amendment for the reasons I have outlined.

I think an important message ought to go out to families and to workers all over this country and many others who have worked long and hard to try and urge the Senate of the United States to move on the minimum wage issue and raise the minimum wage, as it has been stuck for the last 10 years at $5.15. There are people who have knocked on doors, there are people who have stuffed envelopes and there are people who have phoned into radio stations and people who have written letters to the editors and people who have met with Members of Congress all over this country. People have marched, attended parades, and demonstrated. They have spoken out for fairness and justice for workers. Tomorrow we will have a real opportunity to respond to that.

I am very hopeful, as a result of the votes tomorrow, we will be well on the way toward this body supporting action that has taken place in the House of Representatives and a vote for an increase in the minimum wage. There will be those who will go to bed tonight who have been working long and hard for $5.15 an hour. They may work one job, and many of them, 300,000 Americans, work two full-time jobs. They probably keep saying a prayer, and they are keeping their fingers crossed that in the Senate, tomorrow will provide at least some additional breath of hope to them and to their families, to their loved ones, that can make a difference in terms of their lives and what a difference this can make.

As we have mentioned, it may be more than a year's worth of groceries to some families or it may be the tuition for a community college. It could be 20 months of child care for some workers. It could be heating and electric bills for 19 months, all measured in a few months, for things that so many of us, certainly in this body, take for granted. But out there in so many communities across the country, people fight and struggle to try and achieve those goals.

So this is a very important vote. We have important votes and some not so important votes in this body, but tomorrow will be one of great importance and consequence. I think it will be a defining issue about what kind of society we are; what is the measure of our decency and the measure of our humanity in this body. So I am very hopeful as to the outcome, and we urge our colleagues to give us their support. We will have an opportunity to make comments tomorrow morning briefly before we vote on these measures. We thank all of our Members for all of their cooperation and their help to Senator ENZI and myself over the last several days. So with that I would indicate to our colleagues that in approximately 2 minutes or so we will begin the vote on the Sessions amendment, an amendment which both I and Senator ENZI support.

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

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

Mr. ENZI. I yield back, with the consent of both sides, the 2 minutes that was to be available on both sides. I yield back that time.

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

Mr. ENZI. I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 106, as modified.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from South Dakota (Mr. JOHNSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Delaware (Mr. BIDEN) would vote ''yea.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 21 Leg.]

YEAS—98

Akaka	Dorgan	Menendez
Alexander	Durbin	Mikulski
Allard	Ensign	Murkowski
Baucus	Enzi	Murray
Bayh	Feingold	Nelson (FL)
Bennett	Feinstein	Nelson (NE)
Bingaman	Graham	Obama
Bond	Grassley	Pryor
Boxer	Gregg	Reed
Brown	Hagel	Reid
Brownback	Harkin	Roberts
Bunning	Hatch	Rockefeller
Burr	Hutchison	Salazar
Byrd	Inhofe	Sanders
Cantwell	Inouye	Schumer
Cardin	Isakson	Sessions
Carper	Kennedy	Shelby
Casey	Kerry	Smith
Chambliss	Klobuchar	Snowe
Clinton	Kohl	Specter
Coburn	Kyl	Stabenow
Cochran	Landrieu	Stevens
Coleman	Lautenberg	Sununu
Collins	Leahy	Tester
Conrad	Levin	Thomas
Corker	Lieberman	Thune
Cornyn	Lincoln	Vitter
Craig	Lott	Voinovich
Crapo	Lugar	Warner
DeMint	Martinez	Webb
Dodd	McCain	Whitehouse
Dole	McCaskill	Wyden
Domenici	McConnell	

NOT VOTING—2

Biden	Johnson

The amendment (No. 106), as modified, was agreed to

Mr. DURBIN. I move to reconsider the vote.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

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

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

VA and Medicare Drug Price Negotiation

Mr. AKAKA. Mr. President, much has been said recently about the way in which VA purchases drugs and the manner in which medications are provided to beneficiaries. This discussion has been a part of the ongoing debate to allow Medicare to negotiate for drugs on behalf of its beneficiaries.

Concerns have been raised about veterans' access to drugs, the quality of the benefit, and VA's formulary and pricing. Veterans medication coverage has been misunderstood. I would like to take this opportunity to set the record straight about the process by which VA achieves drug cost savings and the level of care afforded to veterans.

VA is different than Medicare for a variety of reasons, there is no doubt, but I believe some lessons can be applied to address Medicare drug prices.

While there is no question that VA's formulary is an important component of VA pharmacy management, decisions about which drugs are on the formulary are not made by bureaucrats nor are they made by those solely concerned about the bottom line.

VA employs a scientific review process to select drugs to be available to beneficiaries and to ensure quality care. Physicians and clinical pharmacists from the VA's regional offices manage the formulary.

While some concern has been expressed that the VA formulary covers only 30 percent of the 4,300 drugs available on Medicare's market-priced formulary, this is not the case. Rather, it is my understanding that VA actually offers 11 percent more drugs than are available under Part D of Medicare.

VA offers 4,778 drugs by way of a ''core'' national formulary which requires that they must be made available at all VA medical care facilities. If a drug is needed which is not on the formulary, VA has a quick process to ensure that the drug will be prescribed. This off-formulary process is so robust, in fact, that last year, VA dispensed prescriptions for an additional 1,416 drugs. So, to put a finer point on this, when a non-formulary medication is clinically needed—it is provided.

To those who argue that VA's formulary is ''among the most restrictive in the marketplace,'' I would only say that the Institute of Medicine took a good long look at VA and found that in many respects it is actually less restrictive than other public or private formularies.

The chairman of the IOM committee said that if VA did not have a formulary process like it has, they would have indeed urged that one be created just like it.

Some have suggested that veterans receive substandard care because of the VA drug benefit The literature says otherwise. Veterans get better pharmaceutical care than private or public hospitals, according to a study last year published in the Archives of Internal Medicine.

VA's mail order pharmacy has been criticized, as well. VA employs nearly 10,000 pharmacists and technicians and is regarded by many pharmacy organizations as excellent. VA also operates 230 outpatient pharmacies. VA also trains more doctors of pharmacy than any other single organization in the U.S. And most significantly, while the error rate for prescriptions in the U.S. is between 3 and 8 percent, the error rate in VA is less than one one-hundredth of one percent.

In VA, new drugs are reviewed on their merits and are made available quickly if they provide distinct benefits. Safety and how well a drug works are the most important considerations in the review process, followed by cost.

I could go on. We know that VA gets the best prices, but I think the essential question is: Do veterans get the necessary drugs to promote the best health care? The answer—based on peer-reviewed studies—is a resounding yes. The quality of medical care in VA is significantly higher for overall quality in chronic care and preventative care.

And if some believe that veterans aren't happy with their drug access and pricing, it is news to me, and to the administration. Just last week, VA announced results of a survey done by an independent reviewer of customer satisfaction. For the seventh straight year, the Department of Veterans Affairs has received significantly higher ratings than the private health care industry. VA's marks keep continuing to rise.

When veterans' groups testify before Congress about their needs and desires, the only thing they say about their drug coverage is that they want to keep it the way it is.

Peer-reviewed studies, veterans service organizations, polls, and consumer reports consistently testify to the superiority of VA health care over private sector care. The VA formulary has been repeatedly reviewed and approved by Congress, GAO and the Institute of Medicine. Consumer choice provides clear insight into the success of the VA pharmacy management system.

We can learn a number of lessons from the VA as we consider Medicare price negotiations. I support drug price negotiation by Medicare. As chairman of the Veterans Affairs Committee, I will closely monitor the evolution of this issue to ensure VA retains access to affordable drugs. The gains that can be made in Medicare—and the improvement of quality—are just too great to do nothing.

I ask unanimous consent that the VA's summary of the study to which I previously referred be printed in the RECORD.

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

JOURNAL ARTICLE PRAISES VA HEALTH CARE—SECRETARY NICHOLSON: FURTHER PROOF OF VA'S TOP QUALITY CARE

WASHINGTON.—''One of the most striking examples of American health care success''—that is one medical journal's recent assessment of the health care system operated by the Department of Veterans Affairs (VA).

The most recent tribute to VA's health care system came in an article in the medical journal Neurology.

''The quality of VA's health care system is recognized by medical professionals and, most importantly, by veterans,'' said Secretary of Veterans Affairs Jim Nicholson. ''Repeatedly, the medical community holds up VA's health care system as a model.''

''The VA has achieved remarkable improvements in patient care and health outcomes, and is a cost-effective and efficient organization,'' according to the journal. For example, the article cited VA's comprehensive coverage and said it is especially suited to manage chronic disease.

Dr. Michael J. Kussman, VA's Acting Under Secretary for Health, said the article underscores the Department's commitment to high quality patient care.

''This shows that VA's health system is recognized internationally as the benchmark for health care services,'' Dr. Kussman said. ''It further demonstrates that our commitment to high quality care is benefiting the men and women who have earned the best possible care through service to our country.''

The Neurology article is the second recent study citing the quality of VA health care. In December, a comprehensive study by Harvard Medical School said federal and military hospitals, such as those run by the VA, provide the best care available anywhere for some of the most common life-threatening illnesses.

In 2006, VA received the prestigious ''Innovations in American Government'' Award from Harvard's Kennedy School of Government for its advanced electronic health records and performance measurement system.

Mr. AKAKA. I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I thank the Senator, my friend from Hawaii, for his excellent presentation. I pay tribute to him for his extraordinary work on behalf of the veterans of this country. He has been the real leader in the Senate on this issue, particularly for those who have suffered the wounds of war. He has been a tireless advocate to make sure we get the very best focus and attention to them. We have listened to him frequently. I hope the Senate will pay close attention to his words and his findings and his urging for this body.

I thank him for his comments, as always.

AMENDMENT NO. 71 TO S. 1

Mr. NELSON of Nebraska. Mr. President, as I have mentioned before, last year Washington was rocked by the Abramoff scandal and other misdeeds. I am pleased that Congress has shown it is taking seriously its responsibility to the American people by revisiting and tightening the rules and laws that govern Members of the Senate. Many have said that S.1, which overwhelmingly passed out of the Senate last week, includes the most sweeping ethics reform measures since Watergate.

There is one point that I discussed and pushed forward during last year's debate that I believe needs to again be part of what we are doing now. Last year I offered a sense-of-the-Senate amendment to make many of the reforms we have considered throughout this ethics debate apply to all branches of Government. I am pleased that this sense of the Senate was accepted and is included in the underlying bill.

During the debate last week, I filed an amendment, No. 71, which builds upon the principle behind this sense of the Senate—that the standards employed in this bill should be the minimum standards that guide the other branches of Government. I thought this was a good amendment—in fact, a necessary amendment—that ought to be accepted into this bill. Unfortunately, that did not happen. I have spoken with some of my colleagues and understand that though there is general support for the principle that ethics standards in the executive branch should be as stringent as those made applicable by this bill, some of my colleagues believe the provisions of this amendment warrant further evaluation. Though I am disappointed this amendment will not be included on this bill, I respect and appreciate the importance and value of committee evaluation and will look forward to working on this issue as that committee process proceeds.

Mr. LIEBERMAN. I would like to thank my friend and colleague from Nebraska for bringing this amendment and important issue forward. The Senate Committee on Homeland Security and Governmental Affairs has jurisdiction over these issues which impact the executive branch. As chairman of that committee, I can appreciate that this amendment warrants more thorough evaluation and deliberation. Later this year, the committee will consider the reauthorization of the Office of Government Ethics—the executive branch's ethics arm. I look forward to working with my friend from Nebraska on the issue throughout the year and as we consider this reauthorization and other matters.

Mr. NELSON of Nebraska. I thank my good friend from Connecticut. I appreciate his thoughtfulness in this debate, and I look forward to discussing it further as his committee proceeds this year.

UNI-CAPITOL WASHINGTON INTERNSHIP PROGRAMME

Mr. CRAPO. Mr. President, as modern communication makes our world increasingly smaller, linking global societies at unprecedented business, government and social levels, it is critical that America and other democracies worldwide engage in a process of ongoing co-education about the efforts and work of democratic governments. This educational exchange is best facilitated by hands-on learning and personal experience. A terrific example of this effort is the Uni-Capitol Washington Internship Programme, in which outstanding college students from seven of Australia's top universities compete for the opportunity to serve as interns for Members of the U.S. Congress. In its eighth year, the program has facilitated internships for 68 Australian students thus far.

I am fortunate to be able to participate this year. Charis Tierney from Brisbane, Queensland, has been a wonderful addition to my office this winter. She says of this opportunity:

> The UCWIP has been a once in a lifetime to not only observe but participate in the work of the U.S. Congress. Working within Senator Crapo's office has given me the kind of unique appreciation for the United States Senate's work that can only be gained from behind the scenes. My daily interaction with the fantastic staff of the Senator's office has only enhanced the experience.

I offer my congratulations to Director Eric Federing and his wife Daphne for their support and dedication of this important educational program. The additional activities such as visits to historic sites, meetings with other government agencies and outside organizations and special events helps enhance the experience for these promising young women and men. The Federings' commitment to comprehensive bilateral civic education has made it possible for students like Charis to take their experiences here in the legislative branch of the U.S. Government back to Australia and apply lessons learned as they pursue their own course of study across a wide range of academic pursuits.

This valuable program bridges the 9,000 miles that separate the United States and Australia with the friendship of shared experiences and realization and application of common goals and interests.

RECOGNIZING CONNIE FEUERSTEIN

Ms. STABENOW. Mr. President, I rise today in celebration of my longtime friend and staff member, Connie Feuerstein. After working with me for over a decade, Connie has decided to join her husband, Jack, in retirement.

Long before joining my staff, Connie was active in her church, community, and Genesee County politics. Her efforts were critical in my successful campaign for the U.S. House of Representatives in 1996, and I am so fortunate that she was willing to join my congressional staff.

For Connie, her work has always been so much more than just a job. She brings such passion and energy to everything she does. Whether it is attending a community event, walking in a parade or advocating on behalf of a family or for the needs of her community, Connie always gives 110 percent to whatever she is doing.

As a district representative in my congressional offices in Brighton and

Flint and a regional manager in my Flint/Saginaw/Bay office in the Senate, Connie has been my link to the community. She is a respected community leader in her own right. Through the years, she has mentored interns and staff members, many of whom have caught her zeal for public service and have kept in touch with her long after they left the office.

My staff and I will miss her sense of humor, boundless energy, optimism and enthusiasm, although I am certain that retirement will not stop her from staying involved. I also know that many people in Michigan, whose lives she touched through her work, will miss her.

Upon leaving the Senate, Connie plans to spend time in Florida, where she will be closer to one of her daughters and her three precious grandchildren. She has a love for life that is contagious and I know her family will appreciate having more of her time and attention.

Mr. President, I am sad because I am losing a trusted and valued member of my staff, but I am happy to see a dear friend move on to new challenges, and I wish her the best of everything.

RECOGNIZING RICK HUMMEL

Mr. DURBIN. Mr. President, I rise today to honor one of our Nation's finest sportswriters, Rick Hummel, and congratulate him on receiving the J.G. Taylor Spink Award, the highest honor awarded by the Baseball Writers Association of America.

The great sportswriter, Red Smith, once said ''There's nothing to writing. All you do is sit down at a typewriter and open a vein.'' He meant, of course, that writing is not easy. Sports writing can be particularly challenging, but when done well it can be some of the best journalistic writing there is. Rick Hummel does it well.

Those who know Hummel best call him the ''Commish'' a nickname he earned by organizing the newsroom's softball and bowling league teams. Over the years, the moniker has taken on deeper meaning. Today, it serves as a nod to his extensive knowledge of the game of baseball and as a tribute to his venerable career.

Rick Hummel was born and raised in Quincy, IL. He graduated from Quincy High School in 1964, went on to earn a degree from the University of Missouri School of Journalism, and then served in the U.S. Army for 3 years.

Hummel joined the staff of the St. Louis Post-Dispatch in 1971. At the Post-Dispatch, he learned the ropes, as many sportswriters do, by covering high school athletics. Hummel was given his first chance to write about the World Champion St. Louis Cardinals in 1973. By 1978, covering the Cardinals was Hummel's full-time job. He spent the next 24 years as a beat reporter and continues to write for the Post-Dispatch as a regular columnist.

Hummel is passionate about baseball, but as a writer he is known for his uncomplicated style and humility, as well as his ability to work with players, coaches, and managers alike.

Hummel was nominated for a Pulitzer Prize in 1980 and the National Sportswriters and Sportscasters Association named him Missouri Sportswriter of the Year on four separate occasions. Now as the 57th winner of the J.G. Taylor Spink Award, presented annually for ''meritorious contributions to baseball writing,'' Hummel will be recognized in a permanent exhibit at the National Baseball Hall of Fame. He joins such legendary sportswriters as Red Smith, Ring Lardner, Grantland Rice, and Damon Runyon.

I congratulate Rick Hummel on this achievement and recognize his accomplishments throughout his long and successful career.

ADDITIONAL STATEMENTS

TRIBUTE TO ERLANGER, KENTUCKY, FIRE DEPARTMENT

• Mr. BUNNING. Mr. President, today I wish to pay tribute to the city of Erlanger, KY, which is the recipient of the 2006 Award for Municipal Excellence at the National League of Cities' Congress of Cities. This city's Tiered Advanced Life Support System Program for Emergency Medical Services earned Erlanger the Gold Award, which is presented to cities that have a population below 50,000 people. By winning this prestigious award, the Erlanger Fire Department and Emergency Medical Services, EMS, team exhibit the power of hard work as well as their dedication to their community while serving as an example to the rest of the United States.

Since 1989, the goal of the Awards for Municipal Excellence has been to recognize cities that improve the lives of citizens in their communities. These awards identify and feature outstanding city and town programs that show innovation in enhancing the quality of life in America's communities.

The fire department and city of Erlanger recognize the need to have paramedic response and transport capabilities for the safety and welfare of the citizens in its community of 17,000 people. After debating several options, they found a fire service-based EMS delivery model that was affordable and could be enacted immediately. This model provides two cross-trained EMS firefighters on a transport rescue unit, followed by a cross-trained firefighter paramedic in a staff car who can assist and ride in the rescue ambulance with the patient. If the patient does not need advanced life support, the paramedic is ready to respond immediately to the next emergency call. This model delivers the best medical care available and keeps more firefighters on the street to deliver the highest quality fire protection. This joint partnership has made a positive difference in both fire and EMS delivery services in the community of Erlanger.

I congratulate the city of Erlanger, KY, for receiving this Award for Municipal Excellence. By using an innovative approach to address an important community need, they have created this outstanding program. This cutting-edge approach to community emergency response shines as a model for all communities in Kentucky and the United States. This is a true example of Kentucky at its finest and a leadership example to the entire Commonwealth.•

TRIBUTE TO JANE BOLIN

• Mrs. CLINTON. Mr. President, today I honor the life and legacy of Ms. Jane Bolin.

Jane Matilda Bolin of Queens, NY, passed away on Monday, January 8, 2007 after a lifetime of public service. In 1939, Ms. Bolin was the first Black woman to become a judge in the United States, and she continued to serve honorably on the bench for the next 40 years. Her lifelong dedication to social justice, civil rights, and to the betterment of our American society serves as an inspiration to us all.

A trailblazer in so many arenas, Ms. Bolin pursued her goals in the face of widespread discrimination and prejudice. She was the first Black woman to graduate from Yale Law School, the first to join the New York City Bar Association, and the first to work in the city's legal department. In addition to being a fellow Yale Law graduate, she and I also share the same undergraduate alma mater. Ms. Bolin attended Wellesley College in the 1920s as one of only two Black freshmen. She went on to graduate as a Wellesley Scholar, an honor given only to the top 20 students in her class.

Ms. Bolin's tenacity set a powerful example for the women of my generation. In 1958, she commented on the struggle for women's rights that ''we have to fight every inch of the way and in the face of sometimes insufferable humiliations.'' And Ms. Bolin never stopped fighting. She spoke out against segregation in her native Pougkheepsie. She used her position on the bench to end the assignment of probation officers and the placement of children in childcare agencies on the basis of race. As a family court judge, she heard cases ranging from homicides and battered spouses to child support and paternity suits.

Jane Bolin was truly a remarkable woman.

I offer my deepest sympathies to her son, Yorke B. Mizzle, and to all those whose lives she enriched. My thoughts and prayers are with her family during this difficult time.•

TRIBUTE TO JOHN AND JILL MAHAN

• Mr. BUNNING. Mr. President, today I pay tribute to John and Jill Mahan, an exceptional young couple from Kentucky who are the recipients of the American Farm Bureau Young Farmers and Ranchers National Achievement Award. By winning this prestigious award, the Mahans exhibited an unprecedented passion and skill for farming, beating out competition from across the United States.

The American Farm Bureau Young Farmers and Ranchers National

Achievement Award is presented to young farmers and ranchers across the United States who demonstrate knowledge and achievement in agriculture, as well as a steadfast strength and goal of promoting the agricultural community. With the average age of American farmers increasing steadily as the years go by, it is refreshing to see a young couple like the Mahans embrace the financial and labor-intensive plight that is common in the field of agriculture.

The Mahans own 523 acres of a 2,000-acre farm near their home in Lexington, KY. With the changing needs facing farmers, they quickly learned to diversify their production options and create alternatives for income. Currently, the Mahans produce burley tobacco, beef cattle, wheat, soybeans, corn, and alfalfa. This forward-thinking approach to the ever-changing agriculture market is a clear reason this couple experiences continued success in their farming career.

I congratulate John and Jill Mahan on this prestigious award from the American Farm Bureau. By winning this national award, they have shown the rest of the Nation the strength of the agricultural community in Kentucky along with their personal dedication to their remarkable careers in farming. They are true examples of Kentucky at its finest.●

MESSAGES FROM THE HOUSE

At 12:09 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 390. An act to require the establishment of a national database in the National Archives to preserve records of servitude, emancipation, and post-Civil War reconstruction and to provide grants to State and local entities to establish similar local databases.

The message also announced that pursuant to 15 U.S.C. 1024(a), and the order of the House of January 4, 2007, the Speaker appoints the following Member of the House of Representatives to the Joint Economic Committee: Mr. SAXTON of New Jersey.

At 2:15 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 41. Concurrent resolution providing for a conditional adjournment of the House of Representatives.

The message further announced that the House agrees to the amendment of the Senate to the concurrent resolution (H. Con. Res. 38) providing for a joint session of Congress to receive a message from the President.

REPORT ON THE STATE OF THE UNION DELIVERED TO A JOINT SESSION OF CONGRESS ON JANUARY 23, 2007—PM 2

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was ordered to lie on the table:

To the Congress of the United States:

Thank you very much. Tonight, I have a high privilege and distinct honor of my own—as the first President to begin the State of the Union message with these words: Madam Speaker.

In his day, the late Congressman Thomas D'Alesandro, Jr., from Baltimore, Maryland, saw Presidents Roosevelt and Truman at this rostrum. But nothing could compare with the sight of his only daughter, Nancy, presiding tonight as Speaker of the House of Representatives. Congratulations.

Two members of the House and Senate are not with us tonight—and we pray for the recovery and speedy return of Senator Tim Johnson and Congressman Charlie Norwood.

Madam Speaker, Vice President Cheney, Members of Congress, distinguished guests, and fellow citizens:

This rite of custom brings us together at a defining hour—when decisions are hard and courage is tested. We enter the year 2007 with large endeavors underway, and others that are ours to begin. In all of this, much is asked of us. We must have the will to face difficult challenges and determined enemies—and the wisdom to face them together.

Some in this Chamber are new to the House and Senate—and I congratulate the Democratic majority. Congress has changed, but our responsibilities have not. Each of us is guided by our own convictions—and to these we must stay faithful. Yet we are all held to the same standards, and called to serve the same good purposes: To extend this Nation's prosperity . . . to spend the people's money wisely . . . to solve problems, not leave them to future generations . . . to guard America against all evil, and to keep faith with those we have sent forth to defend us.

We are not the first to come here with government divided and uncertainty in the air. Like many before us, we can work through our differences and achieve big things for the American people. Our citizens don't much care which side of the aisle we sit on—as long as we are willing to cross that aisle when there is work to be done. Our job is to make life better for our fellow Americans, and help them to build a future of hope and opportunity—and this is the business before us tonight.

A future of hope and opportunity begins with a growing economy—and that is what we have. We are now in the 41st month of uninterrupted job growth—in a recovery that has created 7.2 million new jobs . . . so far. Unemployment is low, inflation is low, and wages are rising. This economy is on the move—and our job is to keep it that way, not with more government but with more enterprise.

Next week, I will deliver a full report on the state of our economy. Tonight, I want to discuss three economic reforms that deserve to be priorities for this Congress.

First, we must balance the Federal budget. We can do so without raising taxes. What we need to do is impose spending discipline in Washington, D.C. We set a goal of cutting the deficit in half by 2009—and met that goal 3 years ahead of schedule. Now let us take the next step. In the coming weeks, I will submit a budget that eliminates the Federal deficit within the next 5 years. I ask you to make the same commitment. Together, we can restrain the spending appetite of the Federal Government, and balance the Federal budget.

Next, there is the matter of earmarks. These special interest items are often slipped into bills at the last hour—when not even C–SPAN is watching. In 2005 alone, the number of earmarks grew to over 13,000 and totaled nearly $18 billion. Even worse, over 90 percent of earmarks never make it to the floor of the House and Senate—they are dropped into Committee reports that are not even part of the bill that arrives on my desk. You did not vote them into law. I did not sign them into law. Yet they are treated as if they have the force of law. The time has come to end this practice. So let us work together to reform the budget process . . . expose every earmark to the light of day and to a vote in Congress, and cut the number and cost of earmarks at least in half by the end of this session.

Finally, to keep this economy strong we must take on the challenge of entitlements. Social Security and Medicare and Medicaid are commitments of conscience—and so it is our duty to keep them permanently sound. Yet we are failing in that duty—and this failure will one day leave our children with three bad options: huge tax increases, huge deficits, or huge and immediate cuts in benefits. Everyone in this Chamber knows this to be true—yet somehow we have not found it in ourselves to act. So let us work together and do it now. With enough good sense and good will, you and I can fix Medicare and Medicaid—and save Social Security.

Spreading opportunity and hope in America also requires public schools that give children the knowledge and character they need in life. Five years ago, we rose above partisan differences to pass the No Child Left Behind Act—preserving local control, raising standards in public schools, and holding those schools accountable for results. And because we acted, students are performing better in reading and math, and minority students are closing the achievement gap.

Now the task is to build on this success, without watering down standards . . . without taking control from local communities . . . and without backsliding and calling it reform. We can lift student achievement even higher by giving local leaders flexibility to turn around failing schools . . . and by giving families with children stuck in failing schools the right to choose something better. We must increase funds for students who struggle—and make sure these children get the special help they need. And we can make sure our children are prepared for the jobs of the future, and our country is more competitive, by strengthening math and science skills. The No Child Left Behind Act has worked for America's children—and I ask Congress to reauthorize this good law.

A future of hope and opportunity requires that all our citizens have affordable and available health care. When it comes to health care, government has an obligation to care for the elderly, the disabled, and poor children. We will meet those responsibilities. For all other Americans, private health insurance is the best way to meet their needs. But many Americans cannot afford a health insurance policy.

Tonight, I propose two new initiatives to help more Americans afford their own insurance. First, I propose a standard tax deduction for health insurance that will be like the standard tax deduction for dependents. Families with health insurance will pay no income or payroll taxes on $15,000 of their income. Single Americans with health insurance will pay no income or payroll taxes on $7,500 of their income. With this reform, more than 100 million men, women, and children who are now covered by employer-provided insurance will benefit from lower tax bills.

At the same time, this reform will level the playing field for those who do not get health insurance through their job. For Americans who now purchase health insurance on their own, my proposal would mean a substantial tax savings—$4,500 for a family of four making $60,000 a year. And for the millions of other Americans who have no health insurance at all, this deduction would help put a basic private health insurance plan within their reach. Changing the tax code is a vital and necessary step to making health care affordable for more Americans.

My second proposal is to help the States that are coming up with innovative ways to cover the uninsured. States that make basic private health insurance available to all their citizens should receive Federal funds to help them provide this coverage to the poor and the sick. I have asked the Secretary of Health and Human Services to work with Congress to take existing Federal funds and use them to create ''Affordable Choices'' grants. These grants would give our Nation's Governors more money and more flexibility to get private health insurance to those most in need.

There are many other ways that Congress can help. We need to expand Health Savings Accounts . . . help small businesses through Association Health Plans . . . reduce costs and medical errors with better information technology, encourage price transparency . . . and protect good doctors from junk lawsuits by passing medical liability reform. And in all we do, we must remember that the best health care decisions are made not by government and insurance companies, but by patients and their doctors.

Extending hope and opportunity in our country requires an immigration system worthy of America—with laws that are fair and borders that are secure. When laws and borders are routinely violated, this harms the interests of our country. To secure our border, we are doubling the size of the Border Patrol—and funding new infrastructure and technology.

Yet even with all these steps, we cannot fully secure the border unless we take pressure off the border—and that requires a temporary worker program. We should establish a legal and orderly path for foreign workers to enter our country to work on a temporary basis. As a result, they won't have to try to sneak in—and that will leave border agents free to chase down drug smugglers, and criminals, and terrorists. We will enforce our immigration laws at the worksite, and give employers the tools to verify the legal status of their workers—so there is no excuse left for violating the law. We need to uphold the great tradition of the melting pot that welcomes and assimilates new arrivals. And we need to resolve the status of the illegal immigrants who are already in our country—without animosity and without amnesty.

Convictions run deep in this Capitol when it comes to immigration. Let us have a serious, civil, and conclusive debate—so that you can pass, and I can sign, comprehensive immigration reform into law.

Extending hope and opportunity depends on a stable supply of energy that keeps America's economy running and America's environment clean. For too long, our Nation has been dependent on foreign oil. And this dependence leaves us more vulnerable to hostile regimes, and to terrorists—who could cause huge disruptions of oil shipments . . . raise the price of oil . . . and do great harm to our economy.

It is in our vital interest to diversify America's energy supply—and the way forward is through technology. We must continue changing the way America generates electric power—by even greater use of clean coal technology . . . solar and wind energy . . . and clean, safe nuclear power. We need to press on with battery research for plug-in and hybrid vehicles, and expand the use of clean diesel vehicles and biodiesel fuel. We must continue investing in new methods of producing ethanol—using everything from wood chips, to grasses, to agricultural wastes.

We have made a lot of progress, thanks to good policies in Washington and the strong response of the market. Now even more dramatic advances are within reach. Tonight, I ask Congress to join me in pursuing a great goal. Let us build on the work we have done and reduce gasoline usage in the United States by 20 percent in the next 10 years—thereby cutting our total imports by the equivalent of 3/4 of all the oil we now import from the Middle East.

To reach this goal, we must increase the supply of alternative fuels, by setting a mandatory Fuels Standard to require 35 billion gallons of renewable and alternative fuels in 2017—this is nearly 5 times the current target. At the same time, we need to reform and modernize fuel economy standards for cars the way we did for light trucks—and conserve up to 8.5 billion more gallons of gasoline by 2017.

Achieving these ambitious goals will dramatically reduce our dependence on foreign oil, but will not eliminate it. So as we continue to diversify our fuel supply, we must also step up domestic oil production in environmentally sensitive ways. And to further protect America against severe disruptions to our oil supply, I ask Congress to double the current capacity of the Strategic Petroleum Reserve.

America is on the verge of technological breakthroughs that will enable us to live our lives less dependent on oil. These technologies will help us become better stewards of the environment—and they will help us to confront the serious challenge of global climate change.

A future of hope and opportunity requires a fair, impartial system of justice. The lives of citizens across our Nation are affected by the outcome of cases pending in our Federal courts. And we have a shared obligation to ensure that the Federal courts have enough judges to hear those cases and deliver timely rulings. As President, I have a duty to nominate qualified men and women to vacancies on the Federal bench. And the United States Senate has a duty as well—to give those nominees a fair hearing, and a prompt up-or-down vote on the Senate floor.

For all of us in this room, there is no higher responsibility than to protect the people of this country from danger. Five years have come and gone since we saw the scenes and felt the sorrow that terrorists can cause. We have had time to take stock of our situation. We have added many critical protections to guard the homeland. We know with certainty that the horrors of that September morning were just a glimpse of what the terrorists intend for us—unless we stop them.

With the distance of time, we find ourselves debating the causes of conflict and the course we have followed. Such debates are essential when a great democracy faces great questions. Yet one question has surely been settled—that to win the war on terror we must take the fight to the enemy.

From the start, America and our allies have protected our people by staying on the offense. The enemy knows that the days of comfortable sanctuary, easy movement, steady financing, and free-flowing communications are long over. For the terrorists, life since 9/11 has never been the same.

Our success in this war is often measured by the things that did not happen. We cannot know the full extent of the attacks that we and our allies have prevented—but here is some of what we do know: We stopped an al Qaeda plot to fly a hijacked airplane into the tallest building on the West Coast. We broke up a Southeast Asian terrorist cell grooming operatives for attacks inside the United States. We uncovered an al Qaeda cell developing anthrax to be used in attacks against America. And just last August, British authorities uncovered a plot to blow up passenger planes bound for America over the Atlantic Ocean. For each life saved, we owe a debt of gratitude to the brave public servants who devote their lives to finding the terrorists and stopping them.

Every success against the terrorists is a reminder of the shoreless ambitions of this enemy. The evil that inspired and rejoiced in 9/11 is still at work in the world. And so long as that is the case, America is still a Nation at war.

In the minds of the terrorists, this war began well before September 11, and will not end until their radical vision is fulfilled. And these past 5 years have given us a much clearer view of the nature of this enemy. Al Qaeda and its followers are Sunni extremists, possessed by hatred and commanded by a harsh and narrow ideology. Take almost any principle of civilization, and their goal is the opposite. They preach with threats . . . instruct with bullets and bombs . . . and promise paradise for the murder of the innocent.

Our enemies are quite explicit about their intentions. They want to overthrow moderate governments and establish safe havens from which to plan and carry out new attacks on our country. By killing and terrorizing Americans, they want to force our country to retreat from the world and abandon the cause of liberty. They would then be free to impose their will and spread their totalitarian ideology. Listen to this warning from the late terrorist Zarqawi: ''We will sacrifice our blood and bodies to put an end to your dreams, and what is coming is even worse.'' And Osama bin Laden declared: ''Death is better than living on this Earth with the unbelievers among us.''

These men are not given to idle words, and they are just one camp in the Islamist radical movement. In recent times, it has also become clear that we face an escalating danger from Shia extremists who are just as hostile to America, and are also determined to dominate the Middle East. Many are known to take direction from the regime in Iran, which is funding and arming terrorists like Hezbollah—a group second only to al Qaeda in the American lives it has taken.

The Shia and Sunni extremists are different faces of the same totalitarian threat. But whatever slogans they chant, when they slaughter the innocent, they have the same wicked purposes. They want to kill Americans . . . kill democracy in the Middle East . . . and gain the weapons to kill on an even more horrific scale.

In the 6th year since our Nation was attacked, I wish I could report to you that the dangers have ended. They have not. And so it remains the policy of this Government to use every lawful and proper tool of intelligence, diplomacy, law enforcement, and military action to do our duty, to find these enemies, and to protect the American people.

This war is more than a clash of arms—it is a decisive ideological struggle, and the security of our Nation is in the balance. To prevail, we must remove the conditions that inspire blind hatred, and drove 19 men to get onto airplanes and come to kill us. What every terrorist fears most is human freedom—societies where men and women make their own choices, answer to their own conscience, and live by their hopes instead of their resentments. Free people are not drawn to violent and malignant ideologies—and most will choose a better way when they are given a chance. So we advance our own security interests by helping moderates, reformers, and brave voices for democracy. The great question of our day is whether America will help men and women in the Middle East to build free societies and share in the rights of all humanity. And I say, for the sake of our own security . . . we must.

In the last 2 years, we have seen the desire for liberty in the broader Middle East—and we have been sobered by the enemy's fierce reaction. In 2005, the world watched as the citizens of Lebanon raised the banner of the Cedar Revolution . . . drove out the Syrian occupiers . . . and chose new leaders in free elections. In 2005, the people of Afghanistan defied the terrorists and elected a democratic legislature. And in 2005, the Iraqi people held three national elections—choosing a transitional government . . . adopting the most progressive, democratic constitution in the Arab world . . . and then electing a government under that constitution. Despite endless threats from the killers in their midst, nearly 12 million Iraqi citizens came out to vote in a show of hope and solidarity we should never forget.

A thinking enemy watched all of these scenes, adjusted their tactics, and in 2006 they struck back. In Lebanon, assassins took the life of Pierre Gemayel, a prominent participant in the Cedar Revolution. And Hezbollah terrorists, with support from Syria and Iran, sowed conflict in the region and are seeking to undermine Lebanon's legitimately elected government. In Afghanistan, Taliban and al Qaeda fighters tried to regain power by regrouping and engaging Afghan and NATO forces. In Iraq, al Qaeda and other Sunni extremists blew up one of the most sacred places in Shia Islam—the Golden Mosque of Samarra. This atrocity, directed at a Muslim house of prayer, was designed to provoke retaliation from Iraqi Shia—and it succeeded. Radical Shia elements, some of whom receive support from Iran, formed death squads. The result was a tragic escalation of sectarian rage and reprisal that continues to this day.

This is not the fight we entered in Iraq, but it is the fight we are in. Every one of us wishes that this war were over and won. Yet it would not be like us to leave our promises unkept, our friends abandoned, and our own security at risk. Ladies and gentlemen: On this day, at this hour, it is still within our power to shape the outcome of this battle. So let us find our resolve, and turn events toward victory.

We are carrying out a new strategy in Iraq—a plan that demands more from Iraq's elected government, and gives our forces in Iraq the reinforcements they need to complete their mission. Our goal is a democratic Iraq that upholds the rule of law, respects the rights of its people, provides them security, and is an ally in the war on terror.

In order to make progress toward this goal, the Iraqi government must stop the sectarian violence in its capital. But the Iraqis are not yet ready to do this on their own. So we are deploying reinforcements of more than 20,000 additional soldiers and Marines to Iraq. The vast majority will go to Baghdad, where they will help Iraqi forces to clear and secure neighborhoods and serve as advisers embedded in Iraqi Army units. With Iraqis in the lead, our forces will help secure the city by chasing down terrorists, insurgents, and roaming death squads. And in Anbar province—where al Qaeda terrorists have gathered and local forces have begun showing a willingness to fight them—we are sending an additional 4,000 United States Marines, with orders to find the terrorists and clear them out. We did not drive al Qaeda out of their safe haven in Afghanistan only to let them set up a new safe haven in a free Iraq.

The people of Iraq want to live in peace, and now is the time for their government to act. Iraq's leaders know that our commitment is not open ended. They have promised to deploy more of their own troops to secure Baghdad—and they must do so. They have pledged that they will confront violent radicals of any faction or political party. They need to follow through, and lift needless restrictions on Iraqi and Coalition forces, so these troops can achieve their mission of bringing security to all of the people of Baghdad. Iraq's leaders have committed themselves to a series of benchmarks to achieve reconciliation—to

share oil revenues among all of Iraq's citizens . . . to put the wealth of Iraq into the rebuilding of Iraq . . . to allow more Iraqis to re-enter their nation's civic life . . . to hold local elections . . . and to take responsibility for security in every Iraqi province. But for all of this to happen, Baghdad must be secured. And our plan will help the Iraqi government take back its capital and make good on its commitments.

My fellow citizens, our military commanders and I have carefully weighed the options. We discussed every possible approach. In the end, I chose this course of action because it provides the best chance of success. Many in this Chamber understand that America must not fail in Iraq—because you understand that the consequences of failure would be grievous and far reaching.

If American forces step back before Baghdad is secure, the Iraqi government would be overrun by extremists on all sides. We could expect an epic battle between Shia extremists backed by Iran, and Sunni extremists aided by al Qaeda and supporters of the old regime. A contagion of violence could spill out across the country—and in time the entire region could be drawn into the conflict.

For America, this is a nightmare scenario. For the enemy, this is the objective. Chaos is their greatest ally in this struggle. And out of chaos in Iraq would emerge an emboldened enemy with new safe havens . . . new recruits . . . new resources . . . and an even greater determination to harm America. To allow this to happen would be to ignore the lessons of September 11 and invite tragedy. And ladies and gentlemen, nothing is more important at this moment in our history than for America to succeed in the Middle East . . . to succeed in Iraq . . . and to spare the American people from this danger.

This is where matters stand tonight, in the here and now. I have spoken with many of you in person. I respect you and the arguments you have made. We went into this largely united—in our assumptions, and in our convictions. And whatever you voted for, you did not vote for failure. Our country is pursuing a new strategy in Iraq—and I ask you to give it a chance to work. And I ask you to support our troops in the field—and those on their way.

The war on terror we fight today is a generational struggle that will continue long after you and I have turned our duties over to others. That is why it is important to work together so our Nation can see this great effort through. Both parties and both branches should work in close consultation. And this is why I propose to establish a special advisory council on the war on terror, made up of leaders in Congress from both political parties. We will share ideas for how to position America to meet every challenge that confronts us. And we will show our enemies abroad that we are united in the goal of victory.

One of the first steps we can take together is to add to the ranks of our military—so that the American Armed Forces are ready for all the challenges ahead. Tonight I ask the Congress to authorize an increase in the size of our active Army and Marine Corps by 92,000 in the next 5 years. A second task we can take on together is to design and establish a volunteer Civilian Reserve Corps. Such a corps would function much like our military reserve. It would ease the burden on the Armed Forces by allowing us to hire civilians with critical skills to serve on missions abroad when America needs them. And it would give people across America who do not wear the uniform a chance to serve in the defining struggle of our time.

Americans can have confidence in the outcome of this struggle—because we are not in this struggle alone. We have a diplomatic strategy that is rallying the world to join in the fight against extremism. In Iraq, multinational forces are operating under a mandate from the United Nations—and we are working with Jordan, Saudi Arabia, Egypt, and the Gulf States to increase support for Iraq's government. The United Nations has imposed sanctions on Iran, and made it clear that the world will not allow the regime in Tehran to acquire nuclear weapons. With the other members of the Quartet—the U.N., the European Union, and Russia—we are pursuing diplomacy to help bring peace to the Holy Land, and pursuing the establishment of a democratic Palestinian state living side-by-side with Israel in peace and security. In Afghanistan, NATO has taken the lead in turning back the Taliban and al Qaeda offensive—the first time the Alliance has deployed forces outside the North Atlantic area. Together with our partners in China, Japan, Russia, and South Korea, we are pursuing intensive diplomacy to achieve a Korean peninsula free of nuclear weapons. And we will continue to speak out for the cause of freedom in places like Cuba, Belarus, and Burma—and continue to awaken the conscience of the world to save the people of Darfur.

American foreign policy is more than a matter of war and diplomacy. Our work in the world is also based on a timeless truth: To whom much is given, much is required. We hear the call to take on the challenges of hunger, poverty, and disease—and that is precisely what America is doing. We must continue to fight HIV/AIDS, especially on the continent of Africa—and because you funded our Emergency Plan for AIDS Relief, the number of people receiving life-saving drugs has grown from 50,000 to more than 800,000 in 3 short years. I ask you to continue funding our efforts to fight HIV/AIDS. I ask you to provide $1.2 billion over 5 years so we can combat malaria in 15 African countries. I ask that you fund the Millennium Challenge Account, so that American aid reaches the people who need it, in nations where democracy is on the rise and corruption is in retreat. And let us continue to support the expanded trade and debt relief that are the best hope for lifting lives and eliminating poverty.

When America serves others in this way, we show the strength and generosity of our country. These deeds reflect the character of our people. The greatest strength we have is the heroic kindness, courage, and self-sacrifice of the American people. You see this spirit often if you know where to look—and tonight we need only look above to the gallery.

Dikembe Mutombo grew up in Africa, amid great poverty and disease. He came to Georgetown University on a scholarship to study medicine—but Coach John Thompson got a look at Dikembe and had a different idea. Dikembe became a star in the NBA, and a citizen of the United States. But he never forgot the land of his birth—or the duty to share his blessings with others. He has built a brand new hospital in his hometown. A friend has said of this good-hearted man: ''Mutombo believes that God has given him this opportunity to do great things.'' And we are proud to call this son of the Congo our fellow American.

After her daughter was born, Julie Aigner-Clark searched for ways to share her love of music and art with her child. So she borrowed some equipment, and began filming children's videos in her basement. The Baby Einstein Company was born—and in just 5 years her business grew to more than $20 million in sales. In November 2001, Julie sold Baby Einstein to the Walt Disney Company, and with her help Baby Einstein has grown into a $200 million business. Julie represents the great enterprising spirit of America. And she is using her success to help others—producing child safety videos with John Walsh of the National Center for Missing and Exploited Children. Julie says of her new project: ''I believe it is the most important thing that live ever done. I believe that children have the right to live in a world that is safe.'' We are pleased to welcome this talented business entrepreneur and generous social entrepreneur—Julie Aigner-Clark.

Three weeks ago, Wesley Autrey was waiting at a Harlem subway station with his two little girls, when he saw a man fall into the path of a train. With seconds to act, Wesley jumped onto the tracks . . . pulled the man into a space between the rails . . . and held him as the train passed right above their heads. He insists he's not a hero. Wesley says: ''We got guys and girls overseas dying for us to have our freedoms. We got to show each other some love.'' There is something wonderful about a country that produces a brave and humble man like Wesley Autrey.

Tommy Rieman was a teenager pumping gas in Independence, Kentucky, when he enlisted in the United States Army. In December 2003, he was on a reconnaissance mission in Iraq when his team came under heavy enemy fire. From his Humvee, Sergeant Rieman returned fire—and used

his body as a shield to protect his gunner. He was shot in the chest and arm, and received shrapnel wounds to his legs—yet he refused medical attention, and stayed in the fight. He helped to repel a second attack, firing grenades at the enemy's position. For his exceptional courage, Sergeant Rieman was awarded the Silver Star. And like so many other Americans who have volunteered to defend us, he has earned the respect and gratitude of our whole country.

In such courage and compassion, ladies and gentlemen, we see the spirit and character of America—and these qualities are not in short supply. This is a decent and honorable country—and resilient, too. We have been through a lot together. We have met challenges and faced dangers, and we know that more lie ahead. Yet we can go forward with confidence—because the State of our Union is strong . . . our cause in the world is right . . . and tonight that cause goes on.

Thank you.

GEORGE W. BUSH.

THE WHITE HOUSE, *January 23, 2007*.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 390. An act to require the establishment of a national database in the National Archives to preserve records of servitude, emancipation, and post–Civil War reconstruction and to provide grants to State and local entities to establish similar local databases; to the Committee on Homeland Security and Governmental Affairs.

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–430. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Spiromesifen; Pesticide Tolerance'' (FRL No. 8110–3) received on January 18, 2007; to the Committee on Agriculture, Nutrition, and Forestry.

EC–431. A communication from the Legal Information Assistant, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Subordinated Debt Securities and Mandatorily Preferred Stock'' (RIN1550–AC06) received on January 18, 2007; to the Committee on Banking, Housing, and Urban Affairs.

EC–432. A communication from the Chief Financial Officer, Department of Housing and Urban Development, transmitting, pursuant to law, a report relative to the Department's competitive sourcing efforts for fiscal year 2006; to the Committee on Banking, Housing, and Urban Affairs.

EC–433. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Designation of Areas for Air Quality Planning Purposes; Arizona; Miami Sulfur Dioxide State Implementation Plan and Request for Redesignation to Attainment; Correction of Boundary of Miami Sulfur Dioxide Nonattainment Area'' (FRL No. 8270–3) received on January 18, 2007; to the Committee on Environment and Public Works.

EC–434. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; Texas; EL Paso County Carbon Monoxide Redesignation to Attainment, and Approval of Maintenance Plan'' (FRL No. 8272–5) received on January 18, 2007; to the Committee on Environment and Public Works.

EC–435. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Standards of Performance for New Stationary Sources and Emission Guidelines for Existing Sources: Other Solid Waste Incineration Units: Reconsideration'' (FRL No. 8272–2) received on January 18, 2007; to the Committee on Environment and Public Works.

EC–436. A communication from the Director of the Peace Corps, transmitting, pursuant to law, a report relative to the Corps' competitive sourcing efforts for fiscal year 2006; to the Committee on Foreign Relations.

EC–437. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to the Case-Zablocki Act, 1 U.S.C. 112b, as amended, the report of the texts and background statements of international agreements, other than treaties (List 2007–001—2007–011); to the Committee on Foreign Relations.

EC–438. A communication from the Secretary of Labor, transmitting, pursuant to law, a report relative to the operations of the Office of Workers' Compensation Programs for fiscal year 2004; to the Committee on Health, Education, Labor, and Pensions.

EC–439. A communication from the Administrator, Office of Workforce Security, Department of Labor, transmitting, pursuant to law, the report of a rule entitled ''Unemployment Compensation—Eligibility'' (RIN1205–AB41) received on January 22, 2007; to the Committee on Health, Education, Labor, and Pensions.

EC–440. A communication from the Director of Legislative Affairs, Office of the Director of National Intelligence, transmitting, pursuant to law, the report of a discontinuation of service in the acting role for the position of Principal Deputy Director of National Intelligence, received on January 22, 2007; to the Select Committee on Intelligence.

EC–441. A communication from the General Counsel, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report of a nomination for the position of Administrator (Office of Information and Regulatory Affair), received on January 18, 2007; to the Committee on Homeland Security and Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself and Mr. SMITH):

S. 360. A bill to amend the Internal Revenue Code of 1986 to expand expenses which qualify for the Hope Scholarship Credit and to make the Hope Scholarship Credit and the Lifetime Learning Credit refundable; to the Committee on Finance.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 361. A bill to designate the United States courthouse at South Federal Place in Santa Fe, New Mexico, as the ''Santiago E. Campos United States Courthouse''; to the Committee on Environment and Public Works.

By Mr. COLEMAN:

S. 362. A bill to expand the number of embryonic stem cell lines available for Federally funded research; to the Committee on Health, Education, Labor, and Pensions.

By Mr. COLEMAN:

S. 363. A bill to provide increased Federal funding for stem cell research, to expand the number of embryonic stem cell lines available for Federally funded research, to provide ethical guidelines for stem cell research, to derive human pluripotent stem cell lines using techniques that do not create an embryo or embryos for research or knowingly harm human embryo or embryos, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ROCKEFELLER:

S. 364. A bill to strengthen United States trade laws and for other purposes; to the Committee on Finance.

By Mr. GRAHAM (for himself, Mr. HAGEL, and Mr. DORGAN):

S. 365. A bill to authorize the Secretary of Energy to establish monetary prizes for achievements in overcoming scientific and technical barriers associated with hydrogen energy; to the Committee on Energy and Natural Resources.

By Mr. DOMENICI:

S. 366. A bill to authorize the conveyance of certain Federal land in the State of New Mexico; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DORGAN (for himself, Mr. GRAHAM, Mr. FEINGOLD, Mr. BROWN, Mr. BYRD, and Mr. SANDERS):

S. 367. A bill to amend the Tariff Act of 1930 to prohibit the import, export, and sale of goods made with sweatshop labor, and for other purposes; to the Committee on Finance.

By Mr. BIDEN (for himself, Mr. BAUCUS, Mrs. BOXER, Ms. CANTWELL, Mrs. CLINTON, Mr. DODD, Mrs. FEINSTEIN, Mr. HARKIN, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LIEBERMAN, Mr. MENENDEZ, Ms. MIKULSKI, Mr. OBAMA, Mr. REED, Mr. SALAZAR, Mr. SCHUMER, Mr. SMITH, Ms. STABENOW, and Mr. REID):

S. 368. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to enhance the COPS ON THE BEAT grant program, and for other purposes; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself, Mrs. CLINTON, Mr. SPECTER, Mr. BAUCUS, Mr. BAYH, Mr. BIDEN, Mrs. BOXER, Mr. DURBIN, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. HARKIN, Mr. INOUYE, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. MENENDEZ, Mrs. MURRAY, Mr. PRYOR, and Mr. SALAZAR):

S. 369. A bill to provide for a medal of appropriate design to be awarded by the President to the next of kin or other representative of those individuals killed as a result of the terrorist attacks of September 11, 2001; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. HUTCHISON (for herself and Mr. CORNYN):

S. 370. A bill to designate the headquarters building of the Department of Education in Washington, DC, as the Lyndon Baines Johnson Federal Building; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. STABENOW (for herself and Mr. LEVIN):

S. Res. 37. A resolution designating March 26, 2007 as ''National Support the Troops Day'' and encouraging the people of the United States to participate in a moment of silence to reflect upon the service and sacrifice of members of the Armed Forces both at home and abroad; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island (Mr. WHITEHOUSE) and the Senator from Minnesota (Ms. KLOBUCHAR) were added as cosponsors of S. 2, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

S. 21

At the request of Mr. REID, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 21, a bill to expand access to preventive health care services that help reduce unintended pregnancy, reduce abortions, and improve access to women's health care.

S. 43

At the request of Mr. ENSIGN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 43, a bill to amend title II of the Social Security Act to preserve and protect Social Security benefits of American workers and to help ensure greater congressional oversight of the Social Security system by requiring that both Houses of Congress approve a totalization agreement before the agreement, giving foreign workers Social Security benefits, can go into effect.

S. 65

At the request of Mr. INHOFE, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 65, a bill to modify the age-60 standard for certain pilots and for other purposes.

S. 138

At the request of Mr. SCHUMER, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 138, a bill to amend the Internal Revenue Code of 1986 to apply the joint return limitation for capital gains exclusion to certain post-marriage sales of principal residences by surviving spouses.

S. 223

At the request of Mr. FEINGOLD, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 223, a bill to require Senate candidates to file designations, statements, and reports in electronic form.

S. 261

At the request of Ms. CANTWELL, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of S. 261, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. 320

At the request of Mr. AKAKA, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 320, a bill to provide for the protection of paleontological resources on Federal lands, and for other purposes.

S. 343

At the request of Mr. VOINOVICH, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 343, a bill to extend the District of Columbia College Access Act of 1999.

S. 347

At the request of Mr. VOINOVICH, the name of the Senator from Virginia (Mr. WARNER) was withdrawn as a cosponsor of S. 347, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage, and for other purposes.

S. 356

At the request of Mr. BROWNBACK, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 356, a bill to ensure that women seeking an abortion are fully informed regarding the pain experienced by their unborn child.

AMENDMENT NO. 102

At the request of Mr. DODD, his name was added as a cosponsor of amendment No. 102 proposed to H.R. 2, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

At the request of Mr. KENNEDY, his name was added as a cosponsor of amendment No. 102 proposed to H.R. 2, supra.

AMENDMENT NO. 103

At the request of Ms. SNOWE, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from New Hampshire (Mr. SUNUNU), and the Senator from Kansas (Mr. ROBERTS) were added as a cosponsor of amendment No. 103 proposed to H.R. 2, a bill to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself and Mr. SMITH):

S. 360. A bill to amend the Internal Revenue Code of 1986 to expand expenses which qualify for the Hope Scholarship Credit and to make the Hope Scholarship Credit and the Lifetime Learning Credit refundable; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today with Senator Smith to introduce the Greater Access To Education, or GATE Act, of 2007. This legislation would amend the Internal Revenue Code of 1986 in order to make college more affordable, and thus provide greater access to postsecondary education for lower income students and working families. Simply put, this bill would expand expenses which qualify for the Hope Scholarship Credit, prevent aid for needy students from reducing the credit, and make the Hope Scholarship and Lifetime Learning Credits refundable.

The cost of attending college in the U.S. has grown by 44 percent since 2000, far outpacing the median growth in income. We've seen a 35 percent jump in inflation-adjusted average tuition and fees for in-state students at public colleges and universities since 2001–02. The cost of going to college is 6.3 percent higher than just last year, averaging $12,796 including room and board.

Unfortunately, year after year, Congress has failed to raise Pell Grant Scholarships for needy students. This critical student aid has been frozen at just over $4000 for four years. Ten years ago, the maximum Pell Grant covered more than 50 percent of the cost of tuition, fees, room and board at a public four-year college. Last year, it covered only 35 percent of those costs.

At the same time, we're seeing increasing competition among colleges and universities for the highest scoring students. And these students command higher tuition discounts, particularly in the form of merit scholarships. As a result, there's a smaller proportion of the financial aid budget available for low income students at colleges with rising tuitions.

A recent report by Education Trust found that many of the flagship and research-extensive public universities have reallocated financial aid resources away from the low income students who need help to go to college—mostly to compete for high income students who would enroll in college regardless of the amount of aid they receive. Between 1995 and 2003, flagship and other research-extensive public universities actually decreased grant aid by 13 percent for students from families with an annual income of $20,000 or less while they increased aid to students from families who make more than $100,000 by 406 percent. In 2003, these institutions spent a combined $257 million to subsidize the tuition of students from families with annual incomes over $100,000—a staggering increase from the $50 million they spent in 1995.

In addition, many colleges and universities are now using ''enrollment and revenue management'' firms to help manage admissions and financial aid. I am concerned that too many schools are trying to leverage their financial aid to entice wealthier and high scoring students to attend their schools, at the expense of aid to lower

income students. In essence, they're directing financial aid dollars to students who will increase a school's revenues and rankings.

As a result, low income students are disproportionately bearing the brunt of increased college tuition and fees. In turn, more and more students increasingly rely on loans to finance their education. And, we've seen a significant increase in the amount of student debt in this country. In New Mexico, the average student now graduates from 4 years of college with more than $16,000 in debt.

And, last year, Congress cut $12 billion out of the Federal student aid programs, pushing college further out of reach for American families. It is the largest single cut the Federal Government has made to student aid programs, and it is expected to increase the debt burden of students and their families as many borrowers of student loans will face higher interest payments.

Congress, simply, has moved in the wrong direction, and failed to help make college more affordable for students from low income and working families.

Full time students receive about $3,100 per year in aid in the form of grants and tax benefits at 4-year public institutions. In 2003–04, however, only 56 percent of 4-year public institution students from families with incomes below $30,000 received sufficient grant aid and tax benefits to cover tuition and fees.

Even worse, we know that each year there are hundreds of thousands of students who are prepared to attend a 4-year college but do not do so because of financial barriers.

We must reverse this course and make college more affordable for students from low-income and working families.

The first priority for this Congress should be to increase student aid for needy students. We must increase the amount of Pell grants to at least $5,100.

The next thing we should do is make sure that the existing education tax credits work effectively for the families that need them most. The Hope Scholarship and Lifetime Learning tax credits have helped millions of Americans finance their college education. For this tax year, the credits allow eligible tax filers to reduce their tax liability by receiving a credit of up to $1,650 for the Hope program or up to $2,000 for the Lifetime Learning credit for tuition and course-related fees paid for a single student.

Unfortunately, research shows that these tax credits are not working as effectively as they could be. They do not support students who are currently enrolled in college to any significant degree, and they do not induce greater numbers of students, including working adults who need to upgrade their education and skills, to earn a postsecondary degree.

Many students and their families are unable to take advantage of the maximum amount of the credit because it is limited to covering ''tuition and related expenses.'' Students who attend colleges with lower tuition costs, such as those attending community colleges, are not entitled to the maximum amount of the credit.

For college students attending institutions with relatively high tuition rates, the maximum credit will be available to cover the higher tuition. This is not the case, however, for many students, particularly the vast majority of community college students, as well as hundreds of thousands of students attending public four-year colleges, who attend college where the tuition is lower. These students are not able to access the full credit because tuition at these institutions is lower than the maximum credit, and the scope of the credit is limited to tuition and related expenses. College students must pay for much more than just tuition, however, including room and board, books, supplies, equipment and fees.

Further, a student's eligibility for the Hope tax credit is actually reduced by any grants the student receives—Federal, State, or private. The impact of this limitation is felt particularly by the by the low income students that receive Pell Grants or other Federal or State assistance. Often, the assistance received fully offsets the amount of the credit.

This legislation is simple and straightforward, and is crafted to address these shortcomings. First, in addition to tuition, it allows the Hope credit to cover room and board, required fees, books, supplies, and equipment. It is important to note that the IRS Code commonly recognizes nontuition expenses, including substantial living expenses, in programs such as Section 529 plans and tax-exempt, prepaid tuition plans.

As we all know, tuition is just one of the many expenses associated with going to college. Room and board, books, supplies, equipment and fees can be prohibitively expensive for those who attend colleges that have reasonable tuition charges. The cost for books and supplies alone can be as high as $1000 per year.

In addition, the legislation changes the IRS Code so that any Federal Pell Grants and Supplemental Educational Opportunity Grants students receive are not counted against their eligible expenses when Hope eligibility is calculated. This change will provide some assistance to needier students, especially those attending four-year public colleges.

But these fixes only get to a part of the problem. Because the education tax credits are not refundable, a family of four must earn above $30,000 to get the maximum credit. A student or working family must have a positive tax liability to receive the credit. Nearly half of all families with college students do not get the full credit because their income is too low.

In fact, only 36 percent of filers claiming the credits at all had incomes under $30,000; less than 10 percent of filers claiming the credits had incomes under $15,000. By contrast, 36 percent of filers claiming the credits earned $50,000 or more.

Making the credits refundable would ensure that families in lower tax brackets are eligible for the maximum benefits and would thus make college more affordable to those students and families who need the most assistance.

I believe we all can agree that maintaining a skilled and educated workforce should rank as one of our highest priorities. The National Academy of Sciences projected that while the U.S. economy is doing well today, current trends indicate that the U.S. may not fare as well in the future, particularly in the areas of science and technology, where innovation is spurred and high-wage jobs follow.

This Congress should do everything in its power to ensure that every capable student who wants to go to college should be able to, which will in turn ensure that we have workers to fill the high-quality, high-wage jobs we are working so hard to create. I urge my colleagues to support this critical legislation.

I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 360

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 ''Greater Access To Education Act of 2007''.

SEC. 2. EXPANSION OF EDUCATIONAL EXPENSES ALLOWED AS PART OF HOPE SCHOLARSHIP CREDIT.

(a) QUALIFIED TUITION AND RELATED EXPENSES EXPANDED TO INCLUDE ROOM AND BOARD, BOOKS, SUPPLIES, AND EQUIPMENT.—Paragraph (1) of section 25A(f) of the Internal Revenue Code of 1986 (defining qualified tuition and related expenses) is amended by adding at the end the following new subparagraph:

''(D) ADDITIONAL EXPENSES ALLOWED FOR HOPE SCHOLARSHIP CREDIT.—For purposes of the Hope Scholarship Credit, such term shall, with respect to any academic period, include—

''(i) reasonable costs for such period incurred by the eligible student for room and board while attending the eligible educational institution, and

''(ii) fees, books, supplies, and equipment required for such period for courses of instruction at the eligible educational institution.''.

(b) HOPE SCHOLARSHIP CREDIT NOT REDUCED BY FEDERAL PELL GRANTS AND SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS.—Subsection (g) of section 25A of such Code (relating to special rules) is amended by adding at the end the following new paragraph:

''(8) PELL AND SEOG GRANTS.—For purposes of the Hope Scholarship Credit, paragraph (2) shall not apply to amounts paid for an individual as a Federal Pell Grant or a Federal supplemental educational opportunity grant

under subparts 1 and 3, respectively, of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a and 1070b et seq., respectively).''.

(c) EXPANDED HOPE EXPENSES NOT SUBJECT TO INFORMATION REPORTING REQUIREMENTS.—Subsection (e) of section 6050S of such Code (relating to definitions) is amended by striking ''subsection (g)(2)'' and inserting ''subsections (f)(1)(D) and (g)(2)''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses paid after December 31, 2006 (in tax years ending after such date), for education furnished in academic periods beginning after such date.

SEC. 3. HOPE AND LIFETIME LEARNING CREDITS TO BE REFUNDABLE.

(a) CREDIT TO BE REFUNDABLE.—Section 25A of the Internal Revenue Code of 1986 (relating to Hope and Lifetime Learning credits), as amended by section 2, is hereby moved to subpart C of part IV of subchapter A of chapter 1 of such Code (relating to refundable credits) and inserted after section 35.

(b) TECHNICAL AMENDMENTS.—

(1) Section 36 of the Internal Revenue Code of 1986 is redesignated as section 37.

(2) Section 25A of such Code (as moved by subsection (a)) is redesignated as section 36.

(3) Paragraph (1) of section 36(a) of such Code (as redesignated by paragraph (2)) is amended by striking ''this chapter'' and inserting ''this subtitle''.

(4) Subparagraph (B) of section 72(t)(7) of such Code is amended by striking ''section 25A(g)(2)'' and inserting ''section 36(g)(2)''.

(5) Subparagraph (A) of section 135(d)(2) of such Code is amended by striking ''section 25A'' and inserting ''section 36''.

(6) Section 221(d) of such Code is amended—

(A) by striking ''section 25A(g)(2)'' in paragraph (2)(B) and inserting ''section 36(g)(2)'',

(B) by striking ''section 25A(f)(2)'' in the matter following paragraph (2)(B) and inserting ''section 36(f)(2)'', and

(C) by striking ''section 25A(b)(3)'' in paragraph (3) and inserting ''section 36(b)(3)''.

(7) Section 222 of such Code is amended—

(A) by striking ''section 25A'' in subparagraph (A) of subsection (c)(2) and inserting ''section 36'',

(B) by striking ''section 25A(f)'' in subsection (d)(1) and inserting ''section 36(f)'', and

(C) by striking ''section 25A(g)(2)'' in subsection (d)(1) and inserting ''section 36(g)(2)''.

(8) Section 529 of such Code is amended—

(A) by striking ''section 25A(g)(2)'' in subclause (I) of subsection (c)(3)(B)(v) and inserting ''section 36(g)(2)'',

(B) by striking ''section 25A'' in subclause (II) of subsection (c)(3)(B)(v) and inserting ''section 36'', and

(C) by striking ''section 25A(b)(3)'' in clause (i) of subsection (e)(3)(B) and inserting ''section 36(b)(3)''.

(9) Section 530 of such Code is amended—

(A) by striking ''section 25A(g)(2)'' in subclause (I) of subsection (d)(2)(C)(i) and inserting ''section 36(g)(2)'',

(B) by striking ''section 25A'' in subclause (II) of subsection (d)(2)(C)(i) and inserting ''section 36'', and

(C) by striking ''section 25A(g)(2)'' in clause (iii) of subsection (d)(4)(B) and inserting ''section 36(g)(2)''.

(10) Subsection (e) of section 6050S of such Code is amended by striking ''section 25A'' and inserting ''section 36''.

(11) Subparagraph (J) of section 6213(g)(2) of such Code is amended by striking ''section 25A(g)(1)'' and inserting ''section 36(g)(1)''.

(12) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period ''or from section 36 of such Code''.

(13) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 36 and inserting the following:

''Sec. 36. Hope and Lifetime Learning credits.

''Sec. 37. Overpayments of tax.''.

(14) The table of sections for subpart A of such part IV is amended by striking the item relating to section 25A.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

By Mr. BINGAMAN. (for himself and Mr. DOMENICI):

S. 361. A bill to designate the United States courthouse at South Federal Place in Santa Fe, New Mexico, as the ''Santiago E. Campos United States Courthouse''; to the Committee on environment and Public Works.

Mr. BINGAMAN. Mr. President, I rise today with my colleague Senator DOMENICI to introduce a bill to designate the United States Courthouse in Santa Fe, NM as the ''Honorable Santiago E. Campos United States Courthouse.'' Santiago Campos was appointed to the Federal bench in 1978 by President Jimmy Carter and was the first Hispanic Federal judge in New Mexico. He held the title of Chief U.S. District Judge from February 5, 1987 to December 31, 1989 and took senior status in 1992.

Judge Campos was a dedicated and passionate public servant who spent most of his life committed to working for the people of New Mexico and our Nation. He served as a seaman first class in the United States Navy from 1944 to 1946, as the Assistant Attorney General and then First Assistant Attorney General of New Mexico from 1954 to 1957, and as a district court judge from 1971 to 1978 in the First Judicial District in the State of New Mexico. He was the prime mover in reestablishing Federal court judicial activity in Santa Fe and had his chambers in the courthouse there for over 22 years. For his dedication to the State, Judge Campos received distinguished achievement awards in 1993 from both the State Bar of New Mexico and the University of New Mexico.

Sadly, Judge Campos passed away January 20, 2001 after a long battle with cancer. Judge Campos was an extraordinary jurist and served as a role model and mentor to others in New Mexico. He was admired and respected by all that knew him. I believe that it would be an appropriate tribute to Judge Campos to have the courthouse in Santa Fe bear his name.

The Senate passed a bill in the 108th Congress to name the same courthouse for Judge Campos by unanimous consent. Unfortunately, the House was unable to take up the measure and it failed to be signed into law. I rise again to ask the Senate to pass the bill and honor the work and dedication of Judge Santiago Campos.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 361

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

SECTION 1. DESIGNATION.

The United States courthouse at South Federal Place in Santa Fe, New Mexico, shall be known and designated as the ''Santiago E. Campos United States Courthouse''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the ''Santiago E. Campos United States Courthouse''.

By Mr. ROCKEFELLER:

S. 364. A bill to strengthen United States trade laws and for other purposes; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today to introduce legislation that will help America's manufacturers compete on even terms with foreign manufacturers.

For generations, American manufacturing has been a tremendous source of pride and a ladder to the middle class. Unfortunately, over the last several years, the manufacturing sector of our economy has suffered disproportionately and millions of good jobs have been lost. In my home State of West Virginia, well over 10,000 manufacturing jobs have disappeared since 2001. Workers and manufacturers in all of our States have found it increasingly difficult to compete in today's global markets, when the odds are stacked against them because of unfair trading practices.

American industry can compete with anyone in the world when it's a fair fight. Our domestic and international trade laws were set up to establish a level playing field, but unfortunately some of our trading partners have repeatedly found ways to circumvent these laws in order to gain an unfair advantage in trade with the United States. This has led to our record-breaking—and still growing—trade deficits, which threaten the long-term health of our economy, and have contributed to the migration of manufacturing jobs to factories overseas. This is an enormous problem that the United States must face and conquer.

A large part of the problem in recent years is that the Bush Administration has not been an aggressive enforcer of U.S. domestic trade laws. It has also failed to successfully advocate for U.S. interests in the multilateral dispute settlement setting. The bill I introduce today, the Strengthening America's Trade Law Act of 2007, will improve our ability to correct deficiencies in four areas of U.S. trade policy: first, it will address problems in the U.S. approach to the WTO Dispute Settlement process; second, it will strengthen antidumping remedies, third, it will expand

the reach of countervailing duties, and fourth, it will remove the President's discretion to disregard the recommendations of the International Trade Commission in certain circumstances.

The steel industry is perhaps the best-known example of how our trade laws can help or hurt domestic industry when it is injured by unfair foreign trade practices, but industries from timber to chinaware to candlemaking are all too familiar with this point.

This bill contains a number of provisions that would provide meaningful improvements to U.S. trade law. The United States would remain fully compliant with its obligations in the World Trade Organization under this legislation.

Let me briefly describe what this bill will do to level the playing field for American manufacturers.

Title I of the Strengthening America's Trade Laws Act bolsters the United States' position in WTO dispute settlement proceedings. The dispute settlement system set up in 1994 upon the creation of the WTO was intended to establish a rules-based system of enforcing trade agreements. However, recent cases involving U.S. application of its laws regarding import surges, anti-dumping and countervailing duties have raised concerns about the fairness of the system.

To address these concerns, Title I allows the direct participation in WTO dispute settlement proceedings of the U.S. business and trade associations that are directly affected by these proceedings, which would improve the prospects of zealous advocacy on behalf of U.S. interests at stake. It also creates a Congressional Advisory Commission on WTO Dispute Settlement that would analyze WTO decisions that are adverse to the United States, report to Congress on the propriety of the decisions and provide guidance for how the Congress might proceed in responding to adverse decisions.

Title I also requires Congressional approval of all measures taken by the U.S. government to comply with adverse decisions. In most cases, compliance with an adverse WTO decision calls for legislative changes, but in some cases such as the recent case involving ''zeroing'' on dumping determinations, the Bush Administration has determined that the United States can comply with the adverse decision through regulatory changes such as altering the methodology through which the Commerce Department calculates the dumping margin. This provision of my trade bill would prevent the Administration from side-stepping Congress in determining how to respond to an adverse decision in the WTO. Congressional oversight is an important element of our trade policy, and these provisions would help restore it.

Title II of the Strengthening America's Trade Laws Act tightens the rules in anti-dumping cases in favor of the petitioning domestic industry and makes it harder for dumping countries and businesses to circumvent the rules. Additionally, it applies a stricter methodology for determining the market value of goods from countries designated as ''nonmarket economies'' (NMEs). These countries presently include small former Soviet republics such as Turkmenistan and Georgia, and also large U.S. trading partners such as China. These NME designations are an important element of U.S. trade policy, and Title II gives Congress the ability to approve or disapprove any change in a country's NME status.

Title II also overrules the recent decision by the Federal Circuit in the Bratsk case, which inappropriately added a new requirement not presently included in our anti-dumping laws, namely that ITC anti-dumping investigations must include evaluating the role of imports that are not actually subject to the investigation. This speculative element is not part of the investigation process that Congress mandated the ITC to follow in anti-dumping cases, and my bill would remove this judicially-added requirement that was never a part of our trade remedy law.

Title III of the Strengthening America's Trade Laws Act expands the reach of countervailing duties (CVDs) in order to address two significant sources of unfair trade: China's artificially undervalued currency, and the disparate treatment that international trade rules give to value-added taxes (VAT) used by most U.S. trade partners.

Unlike anti-dumping duties, CVDs have not been applied against imports from NME countries like China, leaving a huge hole in the trade remedies available to U.S. manufacturers who are competing against subsidized imports from China. This bill explicitly makes CVDs applicable to NME countries, and it and provides a methodology for determining subsidy levels in NMEs that is similar to the methodology for determining fair market value in anti-dumping investigations regarding NME countries.

Next, Title III designates currency exchange rate manipulation as a subsidy that can be addressed by application of CVDs. It is well known that China's government pegs its currency's value to the value of a ''basket'' of currencies including the dollar rather than allowing the value to be determined freely in currency exchange markets. This practice keeps China's currency artificially low, boosting Chinese exports and protecting Chinese domestic industry from imports. In December, Federal Reserve Chairman Ben Bernanke called this practice what it is, an ''effective subsidy.'' This provision of Title III would allow the U.S. government to apply our CVD law to this subsidy.

Title III also contains a vital provision that would lead to the possible future use of CVDs as a remedy for the differential treatment that international trade rules give to value-added taxes (VAT) used by most U.S. trade partners. WTO rules provide that rebates on ''direct'' taxes such as income, employment, and real estate taxes constitute subsidies, whereas rebates on ''indirect taxes'' such as sales and VAT taxes are not subsidies. This puts U.S. producers at a significant disadvantage to producers in countries that use value-added tax (VAT) systems.

Over 135 U.S. trading partners use VAT taxes for a significant amount of their revenue, and when U.S. exports enter a VAT tax country, they are subject to the importing country's VAT tax, whereas U.S. imports from a VAT tax country are not subject to the producing country's VAT tax. This unfair tax treatment constitutes both a hidden import duty for U.S. exports and a hidden export subsidy for VAT tax country products entering the United States.

This provision of Title III would push the USTR to negotiate this issue to a satisfactory conclusion within the next two years. Failing such negotiations, it would designate this differential treatment a countervailable subsidy which would then be subject to CVDs.

Finally, Title IV of the Strengthening America's Trade Laws Act would remove Presidential discretion to ignore the recommendations of the ITC in safeguard cases regarding China, or so-called ''Section 421'' cases. Section 421 of the legislation that provided for China's accession to the WTO is a ''safeguard'' provision that provides for temporary relief from surges of imports that have caused injury to domestic industry. There are a number of recent examples of President Bush's failure to take action in cases in which the ITC has recommended ''safeguard'' relief most notably on December 30, 2005, when he denied the relief that the ITC had recommended for U.S. steel pipe and tube manufacturers in the face of a surge of imports from China. Title IV would ensure that such denials do not happen in the future by removing Presidential discretion in applying safeguard measures in cases involving imports from China and instead making the findings and recommendations of the ITC the final word on the matter.

The Strengthening America's Trade Laws Act will provide meaningful improvements to U.S. trade law and a more level playing field for U.S. workers and manufacturers in an increasingly competitive global economy. I commend it to my colleagues and urge them to join me in pushing for its swift enactment. Congress has sat on the sidelines for too long as our country's finest manufacturers have been dealt blow after blow. This bill will not solve the trade deficit alone, but it is a reasonable start.

I am going to ask my leadership, in my caucus and on the Finance Committee, to work with me on this legislation, and I look forward to joining

forces with my allies on the other side of the aisle to move this bill. I ask unanimous consent that the bill be entered into the record. I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 364

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Strengthening America's Trade Laws Act''.

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

Sec. 1. Short title; table of contents.

TITLE I—DISPUTE SETTLEMENT

Subtitle A—Findings, Purpose, and Definitions

Sec. 101. Congressional findings and purpose.
Sec. 102. Definitions.

Subtitle B—Participation in WTO Panel Proceedings

Sec. 111. Participation in WTO panel proceedings.

Subtitle C—Congressional Advisory Commission on WTO Dispute Settlement

Sec. 121. Establishment of Commission.
Sec. 122. Duties of the Commission.
Sec. 123. Powers of the Commission.

Subtitle D—Congressional Approval of Regulatory Action Relating to Adverse WTO Decisions

Sec. 131. Congressional approval of regulatory actions relating to adverse WTO decisions.

Subtitle E—Clarification of Rights and Obligations Through Negotiations

Sec. 141. Clarification of rights and obligations in the WTO through negotiations.

TITLE II—STRENGTHENING ANTI-DUMPING AND COUNTERVAILING DUTY LAWS

Sec. 201. Prevention of circumvention.
Sec. 202. Export price and constructed export price.
Sec. 203. Nonmarket economy methodology.
Sec. 204. Determinations on the basis of facts available.
Sec. 205. Clarification of determination of material injury.
Sec. 206. Revocation of nonmarket economy country status.

TITLE III—EXPANSION OF APPLICABILITY OF COUNTERVAILING DUTIES

Sec. 301. Application of countervailing duties to nonmarket economies and strengthening application of the law.
Sec. 302. Treatment of exchange-rate manipulation as countervailable subsidy under title VII of the Tariff Act of 1930.
Sec. 303. Affirmation of negotiating objective on border taxes.
Sec. 304. Presidential certification; application of countervailing duty law.

TITLE IV—LIMITATION ON PRESIDENTIAL DISCRETION IN ADDRESSING MARKET DISRUPTION

Sec. 401. Action to address market disruption.

TITLE V—MISCELLANEOUS

Sec. 501. Application to Canada and Mexico.

TITLE I—DISPUTE SETTLEMENT

Subtitle A—Findings, Purpose, and Definitions

SEC. 101. CONGRESSIONAL FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) The United States joined the World Trade Organization as an original member with the goal of creating an improved global trading system and providing expanded economic opportunities for United States workers, farmers, and businesses.

(2) The dispute settlement rules of the WTO were created to enhance the likelihood that governments will observe their WTO obligations.

(3) Successful operation of the WTO dispute settlement system was critical to congressional approval of the Uruguay Round Agreements and is critical to continued support by the United States for the WTO. In particular, it is imperative that dispute settlement panels and the Appellate Body—

(A) operate with fairness and in an impartial manner;

(B) strictly observe the terms of reference and any applicable standard of review set forth in the Uruguay Round Agreements; and

(C) not add to the obligations, or diminish the rights, of WTO members under the Uruguay Round Agreements in violation of Articles 3.2 and 19.2 of the Dispute Settlement Understanding.

(4) An increasing number of reports by dispute settlement panels and the Appellate Body have raised serious concerns within the Congress about the ability of the WTO dispute settlement system to operate in accordance with paragraph (3).

(5) In particular, several reports of dispute settlement panels and the Appellate Body have added to the obligations and diminished the rights of WTO members, particularly under the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, the Agreement on Subsidies and Countervailing Measures, and the Agreement on Safeguards.

(6) In order to come into compliance with reports of dispute settlement panels and the Appellate Body that have been adopted by the Dispute Settlement Body, the Congress may need to amend or repeal statutes of the United States. In such cases, the Congress must have a high degree of confidence that the reports are in accordance with paragraph (3).

(7) The Congress needs impartial, objective, and juridical advice to determine the appropriate response to reports of dispute settlement panels and the Appellate Body.

(8) The United States remains committed to the multilateral, rules-based trading system.

(b) PURPOSE.—It is the purpose of this subtitle to provide for the establishment of the Congressional Advisory Commission on WTO Dispute Settlement to provide objective and impartial advice to the Congress on the operation of the dispute settlement system of the World Trade Organization.

SEC. 102. DEFINITIONS.

In this title:

(1) ADVERSE FINDING.—The term ''adverse finding'' means—

(A) in a proceeding of a dispute settlement panel or the Appellate Body that is initiated against the United States, a finding by the panel or the Appellate Body that any law, regulation, practice, or interpretation of the United States, or any State, is inconsistent with the obligations of the United States under a Uruguay Round Agreement (or nullifies or impairs benefits accruing to a WTO member under such an Agreement); or

(B) in a proceeding of a panel or the Appellate Body in which the United States is a complaining party, any finding by the panel or the Appellate Body that a measure of the party complained against is not inconsistent with that party's obligations under a Uruguay Round Agreement (or does not nullify or impair benefits accruing to the United States under such an Agreement).

(2) APPELLATE BODY.—The term ''Appellate Body'' means the Appellate Body established by the Dispute Settlement Body pursuant to Article 17.1 of the Dispute Settlement Understanding.

(3) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

(4) DISPUTE SETTLEMENT BODY.—The term ''Dispute Settlement Body'' means the Dispute Settlement Body established pursuant to the Dispute Settlement Understanding.

(5) DISPUTE SETTLEMENT PANEL; PANEL.—The terms ''dispute settlement panel'' and ''panel'' mean a panel established pursuant to Article 6 of the Dispute Settlement Understanding.

(6) DISPUTE SETTLEMENT UNDERSTANDING.—The term ''Dispute Settlement Understanding'' means the Understanding on Rules and Procedures Governing the Settlement of Disputes referred to in section 101(d)(16) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(16)).

(7) TERMS OF REFERENCE.—The term ''terms of reference'' has the meaning given that term in the Dispute Settlement Understanding.

(8) TRADE REPRESENTATIVE.—The term ''Trade Representative'' means the United States Trade Representative.

(9) UNITED STATES PERSON.—The term ''United States person'' means—

(A) a United States citizen or an alien admitted for permanent residence into the United States; and

(B) a corporation, partnership, labor organization, or other legal entity organized under the laws of the United States or of any State, the District of Columbia, or any commonwealth, territory, or possession of the United States.

(10) URUGUAY ROUND AGREEMENT.—The term ''Uruguay Round Agreement'' means any of the Agreements described in section 101(d) of the Uruguay Round Agreements Act.

(11) WORLD TRADE ORGANIZATION; WTO.—The terms ''World Trade Organization'' and ''WTO'' mean the organization established pursuant to the WTO Agreement.

(12) WTO AGREEMENT.—The term ''WTO Agreement'' means the Agreement Establishing the World Trade Organization entered into on April 15, 1994.

(13) WTO MEMBER.—The term ''WTO member'' has the meaning given that term in section 2(10) of the Uruguay Round Agreements Act (19 U.S.C. 3501(10)).

Subtitle B—Participation in WTO Panel Proceedings

SEC. 111. PARTICIPATION IN WTO PANEL PROCEEDINGS.

(a) IN GENERAL.—If the Trade Representative, in proceedings before a dispute settlement panel or the Appellate Body of the WTO, seeks—

(1) to enforce United States rights under a multilateral trade agreement, or

(2) to defend an action or determination of the United States Government that is challenged,

a United States person that is supportive of the United States Government's position before the panel or Appellate Body and that has a direct economic interest in the panel's or Appellate Body's resolution of the matters in dispute shall be permitted to participate in consultations and panel or Appellate Body proceedings. The Trade Representative shall issue regulations, consistent with subsections (b) and (c), ensuring full and effective participation by any such person.

(b) ACCESS TO INFORMATION.—The Trade Representative shall make available to persons described in subsection (a) all information presented to or otherwise obtained by the Trade Representative in connection with the WTO dispute settlement proceeding in which such persons are participating. The Trade Representative shall promulgate regulations to protect information designated as confidential in the proceeding.

(c) PARTICIPATION IN PANEL PROCESS.—Upon request from a person described in subsection (a), the Trade Representative shall—

(1) consult in advance with such person regarding the content of written submissions from the United States to the panel or Appellate Body concerned or to the other member countries involved;

(2) include, if appropriate, such person or the person's appropriate representative as an advisory member of the delegation in sessions of the dispute settlement panel or Appellate Body;

(3) allow such person, if such person would bring special knowledge to the proceeding, to appear before the panel or Appellate Body, directly or through counsel, under the supervision of responsible United States Government officials; and

(4) in proceedings involving confidential information, allow the appearance of such person only through counsel as a member of the special delegation.

Subtitle C—Congressional Advisory Commission on WTO Dispute Settlement

SEC. 121. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Congressional Advisory Commission on WTO Dispute Settlement (in this subtitle referred to as the ''Commission'').

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 5 members, all of whom shall be judges or former judges of the Federal judicial circuits and shall be appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate after considering the recommendations of the Chairman and ranking member of each of the appropriate congressional committees. Commissioners shall be chosen without regard to political affiliation and solely on the basis of each Commissioner's fitness to perform the duties of a Commissioner.

(2) DATE.—The appointments of the initial members of the Commission shall be made not later than 90 days after the date of the enactment of this Act.

(c) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members of the Commission shall each be appointed for a term of 5 years, except that of the members first appointed, 3 members shall each be appointed for a term of 3 years.

(2) VACANCIES.—

(A) IN GENERAL.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made and shall be subject to the same conditions as the original appointment.

(B) UNEXPIRED TERM.—An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(e) MEETINGS.—Except for the initial meeting, the Commission shall meet at the call of the Chairperson.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a Chairperson and Vice Chairperson from among its members.

(h) FUNDING.—Members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

SEC. 122. DUTIES OF THE COMMISSION.

(a) ADVISING THE CONGRESS ON THE OPERATION OF THE WTO DISPUTE SETTLEMENT SYSTEM.—

(1) IN GENERAL.—The Commission shall review—

(A) all adverse findings that are—

(i) adopted by the Dispute Settlement Body; and

(ii) the result of a proceeding initiated against the United States by a WTO member; and

(B) upon the request of either of the appropriate congressional committees—

(i) any adverse finding of a dispute settlement panel or the Appellate Body—

(I) that is adopted by the Dispute Settlement Body; and

(II) in which the United States is a complaining party; or

(ii) any other finding that is contained in a report of a dispute settlement panel or the Appellate Body that is adopted by the Dispute Settlement Body.

(2) SCOPE OF REVIEW.—The Commission shall advise the Congress in connection with each adverse finding under paragraph (1)(A) or (1)(B)(i) or other finding under paragraph (1)(B)(ii) on—

(A) whether the dispute settlement panel or the Appellate Body, as the case may be—

(i) exceeded its authority or its terms of reference;

(ii) added to the obligations, or diminished the rights, of the United States under the Uruguay Round Agreement that is the subject of the finding;

(iii) acted arbitrarily or capriciously, engaged in misconduct, or demonstrably departed from the procedures specified for panels and the Appellate Body in the applicable Uruguay Round Agreement; or

(iv) deviated from the applicable standard of review, including in antidumping, countervailing duty, and other trade remedy cases, the standard of review set forth in Article 17.6 of the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994;

(B) whether the finding is consistent with the original understanding by the United States of the Uruguay Round Agreement that is the subject of the finding as explained in the statement of administrative action approved under section 101(a) of the Uruguay Round Agreements Act (19 U.S.C. 3511(a)); and

(C) what actions, if any, the United States should take in response to the finding, including any proposals to amend, rescind, or otherwise modify a law, regulation, practice, or interpretation of the United States.

(3) NO DEFERENCE.—In advising the Congress under paragraph (2), the Commission shall not accord deference to findings of law made by the dispute settlement panel or the Appellate Body, as the case may be.

(b) DETERMINATION; REPORT.—

(1) DETERMINATION.—

(A) IN GENERAL.—Not later than 150 days after the date on which the Commission receives notice of a report or request under section 123(b), the Commission shall make a written determination with respect to the matters described in paragraph (2) of subsection (a), including a full analysis of the basis for its determination. A vote by a majority of the members of the Commission shall constitute a determination of the Commission, although the members need not agree on the basis for their vote.

(B) DISSENTING OR CONCURRING OPINIONS.—Any member of the Commission who disagrees with a determination of the Commission or who concurs in such a determination on a basis different from that of the Commission or other members of the Commission, may write an opinion expressing such disagreement or concurrence, as the case may be.

(2) REPORT.—The Commission shall promptly report the determinations described in paragraph (1)(A) to the appropriate congressional committees. The Commission shall include with the report any opinions written under paragraph (1)(B) with respect to the determination.

(c) AVAILABILITY TO THE PUBLIC.—Each report of the Commission under subsection (b)(2), together with the opinions included with the report, shall be made available to the public.

SEC. 123. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold a public hearing to solicit views concerning an adverse finding or other finding described in section 122(a)(1), if the Commission considers such hearing to be necessary to carry out the purpose of this subtitle. The Commission shall provide reasonable notice of a hearing held pursuant to this subsection.

(b) INFORMATION FROM INTERESTED PARTIES AND FEDERAL AGENCIES.—

(1) NOTICE TO COMMISSION.—

(A) UNDER SECTION 122(a)(1)(A).—The Trade Representative shall advise the Commission not later than 5 business days after the date the Dispute Settlement Body adopts an adverse finding that is to be reviewed by the Commission under section 122(a)(1)(A).

(B) UNDER SECTION 122(a)(1)(B).—Either of the appropriate congressional committees may make and notify the Commission of a request under section 122(a)(1)(B) not later than 1 year after the Dispute Settlement Body adopts the adverse finding or other finding that is the subject of the request.

(C) FINDINGS ADOPTED PRIOR TO APPOINTMENT OF COMMISSION.—With respect to any adverse finding or other finding to which section 122(a)(1)(B) applies and that is adopted before the date on which the first members of the Commission are appointed under section 121(b)(2), either of the appropriate congressional committees may make and notify the Commission of a request under section 122(a)(1)(B) with respect to the adverse finding or other finding not later than 1 year after the date on which the first members of the Commission are appointed under section 121(b)(2).

(2) SUBMISSIONS AND REQUESTS FOR INFORMATION.—

(A) IN GENERAL.—The Commission shall promptly publish in the Federal Register notice of—

(i) the notice received under paragraph (1) from the Trade Representative or either of the appropriate congressional committees; and

(ii) an opportunity for interested parties to submit written comments to the Commission.

(B) COMMENTS AVAILABLE TO PUBLIC.—The Commission shall make comments submitted pursuant to subparagraph (A)(ii) available to the public.

(C) INFORMATION FROM FEDERAL AGENCIES AND DEPARTMENTS.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this subtitle. Upon the request of the chairperson of the Commission, the

head of such department or agency shall furnish the information requested to the Commission in a timely manner.

(3) ACCESS TO PANEL AND APPELLATE BODY DOCUMENTS.—

(A) IN GENERAL.—The Trade Representative shall make available to the Commission all submissions and relevant documents relating to an adverse finding described in section 122(a)(1), including any information contained in such submissions and relevant documents identified by the provider of the information as proprietary information or information designated as confidential by a foreign government.

(B) PUBLIC ACCESS.—Any document that the Trade Representative submits to the Commission shall be available to the public, except information that is identified as proprietary or confidential or the disclosure of which would otherwise violate the rules of the WTO.

(c) ASSISTANCE FROM FEDERAL AGENCIES; CONFIDENTIALITY.—

(1) ADMINISTRATIVE ASSISTANCE.—Any agency or department of the United States that is designated by the President shall provide administrative services, funds, facilities, staff, or other support services to the Commission to assist the Commission with the performance of the Commission's functions.

(2) CONFIDENTIALITY.—

(A) DOCUMENTS AND INFORMATION FROM AGENCIES.—The Commission shall protect from disclosure any document or information submitted to it by a department or agency of the United States that the agency or department requests be kept confidential.

(B) DISCLOSURE OF DOCUMENTS AND INFORMATION OF COMMISSION.—The Commission shall not be considered to be an agency for purposes of section 552 of title 5, United States Code.

Subtitle D—Congressional Approval of Regulatory Action Relating to Adverse WTO Decisions

SEC. 131. CONGRESSIONAL APPROVAL OF REGULATORY ACTIONS RELATING TO ADVERSE WTO DECISIONS.

(a) IN GENERAL.—Section 123(g) of the Uruguay Round Agreements Act (19 U.S.C. 3533(g)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (E), by striking ''and'';

(B) by redesignating subparagraph (F) as subparagraph (H); and

(C) by inserting after subparagraph (E) the following new subparagraphs:

''(F) the appropriate congressional committees have received the report on the determinations of the Congressional Advisory Commission on WTO Dispute Settlement under section 122(b)(2) of the Strengthening America's Trade Laws Act with respect to the relevant dispute settlement panel or Appellate Body decision;

''(G) a joint resolution, described in paragraph (2), approving the proposed modification or final rule is enacted into law after the appropriate congressional committees receive the report on the determinations of the Congressional Advisory Commission on WTO Dispute Settlement under section 122(b)(2) of the Strengthening America's Trade Laws Act; and''; and

(2) by amending paragraph (2) to read as follows:

''(2) JOINT RESOLUTION TO APPROVE MODIFICATION IN AGENCY REGULATION OR PRACTICE.—

''(A) IN GENERAL.—For the purposes of paragraph (1)(G), a joint resolution is a joint resolution of the 2 Houses of the Congress, the matter after the resolving clause of which is as follows: 'That the Congress approves the modifications to the regulation or practice of the United States proposed in a report submitted to the Congress under subparagraph (D) or (F) of section 123(g)(1) of the Uruguay Round Agreements Act (19 U.S.C. 3533(g)(1) (D) and (F)) on _____, relating to _____ .', with the first blank space being filled with the date on which the report is submitted to the Congress and the second blank space being filled with the specific modification proposed to the regulation or practice of the United States.

''(B) PROCEDURAL PROVISIONS.—The procedural provisions of subsections (d) through (i) of section 206 of the Strengthening America's Trade Laws Act shall apply to a joint resolution described in subparagraph (A).''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) MODIFICATIONS MADE BETWEEN JANUARY 1, 2007 AND THE DATE OF THE ENACTMENT OF THIS ACT.—

(A) IN GENERAL.—Modifications to any regulation or practice of a department or agency of the United States made pursuant to the provisions of section 123(g) of the Uruguay Round Agreements Act (19 U.S.C. 3533(g)) that became effective on or after January 1, 2007, and before the date of the enactment of this Act, shall be suspended upon the enactment of this Act and have no effect.

(B) APPROVAL OF MODIFICATIONS.—On or after the date of the enactment of this Act, the Trade Representative and the head of the department or agency within whose jurisdiction the modification described in subparagraph (A) falls may seek approval of such modification pursuant to the procedures set out in section 123(g)(1) of the Uruguay Round Agreements Act (19 U.S.C. 3533(g)(1)), as amended by subsection (a).

Subtitle E—Clarification of Rights and Obligations Through Negotiations

SEC. 141. CLARIFICATION OF RIGHTS AND OBLIGATIONS IN THE WTO THROUGH NEGOTIATIONS.

(a) IN GENERAL.—After an adverse finding, the United States shall work within the World Trade Organization to obtain clarification of the Uruguay Round Agreement to which the adverse finding applies to conform the Agreement to the understanding of the United States regarding the rights and obligations of the United States and shall not modify the law, regulation, practice, or interpretation of the United States in response to the adverse finding if—

(1) the United States has stated at the Dispute Settlement Body that the adverse finding has created obligations never agreed to by the United States;

(2) either of the appropriate congressional committees by resolution finds that the adverse finding has created obligations never agreed to by the United States; or

(3) the Congressional Advisory Commission on WTO Dispute Resolution makes a determination under section 122(a)(2)(A)(ii) that the adverse finding has created obligations never agreed to by the United States.

(b) APPLICABILITY.—

(1) IN GENERAL.—This section shall apply to any adverse finding on or after January 1, 2002.

(2) EFFECT ON MODIFICATION OF REGULATION, PRACTICE, OR INTERPRETATION ADOPTED BEFORE ENACTMENT OF THIS ACT.—

(A) IN GENERAL.—Any agency that modified a regulation, practice, or interpretation in response to an adverse finding between January 1, 2002 and the date of the enactment of this Act shall provide notice that the modification shall cease to have force and effect on the date that is 30 days after the date of the enactment of this Act and such modification shall cease to have force and effect on such date.

(B) APPLICABILITY IN TRADE REMEDY CASES.—The cessation of the force and effect of the modification described in subparagraph (A) shall apply with respect to—

(i) investigations initiated—

(I) on the basis of petitions filed under section 702(b), 732(b), or 783(a) of the Tariff Act of 1930 (19 U.S.C. 1671a(b), 1673a(b), and 1677n(a)) or section 202(a), 221, 251(a), or 292(a) of the Trade Act of 1974 (19 U.S.C. 2252(a), 2271, 2341(a), and 2401a(a)) after the date on which the modification ceases to have force and effect under subparagraph (A);

(II) by the administering authority under section 702(a) or 732(a) of the Tariff Act of 1930 (19 U.S.C. 1671a(a) and 1673a(a)) after such date; or

(III) under section 753 of the Tariff Act of 1930 (19 U.S.C. 1675b) after such date;

(ii) reviews initiated under section 751 of the Tariff Act of 1930 (19 U.S.C. 1675)—

(I) by the administering authority or the International Trade Commission on their own initiative after such date; or

(II) pursuant to a request filed after such date; and

(iii) all proceedings conducted under section 129 of the Uruguay Round Agreements Act (19 U.S.C. 3538) commenced after such date.

(3) EFFECT ON PRIOR STATUTORY CHANGES.—

(A) IN GENERAL.—Paragraph (2)(A) shall not apply to modifications to statutes of the United States made in response to adverse findings.

(B) CLARIFICATION OF UNITED STATES RIGHTS.—If a statute of the United States has been modified in response to an adverse finding, the United States shall obtain clarification of the rights and obligations of the United States affected by the adverse finding pursuant to subsection (a).

TITLE II—STRENGTHENING ANTIDUMPING AND COUNTERVAILING DUTY LAWS

SEC. 201. PREVENTION OF CIRCUMVENTION.

Section 781(c) of the Tariff Act of 1930 (19 U.S.C. 1677j(c)) is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE.—The administering authority may exclude altered merchandise from the class or kind of merchandise subject to an investigation and order or finding described in paragraph (1), if such exclusion is not inconsistent with the affirmative determination of the Commission on which the order or finding is based.''.

SEC. 202. EXPORT PRICE AND CONSTRUCTED EXPORT PRICE.

Section 772(c)(2)(A) of the Tariff Act of 1930 (19 U.S.C. 1677a(c)(2)(A)) is amended by inserting ''(including antidumping and countervailing duties imposed under this title)'' after ''duties''.

SEC. 203. NONMARKET ECONOMY METHODOLOGY.

Section 773(c)(4) of the Tariff Act of 1930 (19 U.S.C. 1677b(c)(4)) is amended to read as follows:

''(4) VALUATION OF FACTORS OF PRODUCTION.—

''(A) IN GENERAL.—The administering authority, in valuing factors of production under paragraph (1), shall utilize, to the extent possible, the prices or costs of factors of production in one or more market economy countries that are—

''(i) at a level of economic development comparable to that of the nonmarket economy country; and

''(ii) significant producers of comparable merchandise.

In this paragraph, the term 'surrogate' refers to the values, calculations, and market economy countries used under this subparagraph.

''(B) VALUING MATERIALS USED IN PRODUCTION.—In determining the value of materials used in production under subparagraph (A), the following applies:

''(i) The administering authority may use the value of inputs that are purchased from market economy suppliers and are not suspected of being dumped or subsidized, only for the quantity of such purchases.

''(ii) All materials purchased or otherwise obtained from nonmarket economy countries shall be valued using surrogate values under subparagraph (A).

''(iii) A purchased material shall be viewed as suspected of being subsidized if there are any affirmative findings by the United States or another WTO member of export subsidy programs in the supplying country.

''(iv) A purchased material shall be viewed as suspected of being dumped if there are any affirmative findings by the United States or other WTO member of dumping in the general category of merchandise, or if information supplied by the petitioner or otherwise of record suggests significant underpricing to the purchaser in the nonmarket economy country.

''(v) Surrogate values for materials from a market economy country shall be disregarded as not reflective of prices in that surrogate market only if prices in that market are viewed as aberrational, such as a case in which prices undersell or exceed any reported price in that surrogate market by a large amount.

''(vi) There shall be a presumption that the administering authority will include all market prices from a surrogate market. Prices that are high or low shall be excluded only when it is demonstrated that the prices are not reflective of prices in the surrogate country for the relevant category of merchandise.

''(vii) If amounts pertaining to the cost of production of imports into a surrogate country from market economy suppliers are used for valuing the materials used, such amounts shall be valued on the basis of CIF (cost, insurance, and freight), plus duties paid, to provide a proxy for prices in the surrogate country competing with locally produced goods. Such values shall not be reduced by the import duties.

''(C) VALUING LABOR.—

''(i) The administering authority may use an average of wage rates for market economies, but shall ensure that labor rates used fully reflect all labor costs, including benefits, health care, and pension costs.

''(ii) Labor shall be the total labor employed by a nonmarket economy country producer or used by a nonmarket economy country producer in the overall business, with allocations to other merchandise produced or sold by that producer that is not subject merchandise.

''(iii) Labor shall reflect the average labor for all other producers in the nonmarket economy country that are producing the particular merchandise subject to investigation or review, and shall not be limited to operations used for export.

''(D) VALUING FACTORY OVERHEAD, GENERAL SELLING AND ADMINISTRATIVE EXPENSES, AND PROFIT.—

''(i) IN GENERAL.—The administering authority shall use the best information available with respect to likely values of factory overhead, general selling and administrative expenses, and profit from a surrogate country. If the values determined under subparagraphs (B) and (C) for materials used and labor consumed result in amounts that are demonstrably larger or smaller than the amounts used in determining surrogate ratios from financial or other reports from a surrogate country, adjustments shall be made to the ratios to reflect fully the level of such costs and profits in the surrogate country on a per item produced basis.

''(ii) RATIOS DEFINED.—For purposes of this subparagraph, the term 'ratios' means—

''(I) the ratio of factory overhead to labor, materials, and energy;

''(II) the ratio of general selling and administrative costs to factory overhead, labor, materials, and energy; and

''(III) the ratio of profit to general selling and administrative costs, factory overhead, labor, materials, and energy.

''(E) USE OF CONFIDENTIAL INFORMATION FROM A FOREIGN PRODUCER IN A SURROGATE COUNTRY.—The administering authority shall generally use publicly available information to value factors of production, except that, in a case in which any foreign producer in the surrogate country that is willing to provide information to the administering authority on factors of production to produce the same class of merchandise and such information is subject to verification, the administering authority shall accept and use such information. The relationship of the foreign producer providing the information to a party to the proceeding shall not be a basis for disqualification.''.

SEC. 204. DETERMINATIONS ON THE BASIS OF FACTS AVAILABLE.

Section 776(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1677e(a)(2)(B)) is amended to read as follows:

''(B) fails to provide such information by the deadline for submission of the information or in the form and manner required, and in conformity with prior administering authority determinations in the proceeding and final judicial decisions in the proceeding, subject to subsections (c)(1) and (e) of section 782,''.

SEC. 205. CLARIFICATION OF DETERMINATION OF MATERIAL INJURY.

Section 771(7) of the Tariff Act of 1930 (19 U.S.C. 1677(7)) is amended by adding at the end the following new subparagraph:

''(J) CLARIFICATION OF DETERMINATION OF MATERIAL INJURY.—In determining if there is material injury, or threat of material injury, by reason of imports of the subject merchandise, the Commission shall make the Commission's determination without regard to—

''(i) whether other imports are likely to replace subject merchandise, or

''(ii) the effect of a potential order on the domestic industry.''.

SEC. 206. REVOCATION OF NONMARKET ECONOMY COUNTRY STATUS.

(a) AMENDMENT OF DEFINITION OF ''NONMARKET ECONOMY COUNTRY''.—Section 771(18)(C)(i) of the Tariff Act of 1930 (19 U.S.C. 1677(18)(C)(i)) is amended to read as follows:

''(i) Any determination that a foreign country is a nonmarket economy country shall remain in effect until—

''(I) the administering authority makes a final determination to revoke the determination under subparagraph (A); and

''(II) a joint resolution is enacted into law pursuant to section 206 of the Strengthening America's Trade Laws Act.''.

(b) NOTIFICATION BY PRESIDENT; JOINT RESOLUTION.—Whenever the administering authority makes a final determination under section 771(18)(C)(i)(I) of the Tariff Act of 1930 (19 U.S.C. 1677(18)(C)(i)(I)) to revoke the determination that a foreign country is a nonmarket economy country—

(1) the President shall notify the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives of that determination not later than 10 days after the publication of the administering authority's final determination in the Federal Register;

(2) the President shall transmit to the Congress a request that a joint resolution be introduced pursuant to this section; and

(3) a joint resolution shall be introduced in the Congress pursuant to this section.

(c) DEFINITION.—For purposes of this section, the term ''joint resolution'' means only a joint resolution of the 2 Houses of the Congress, the matter after the resolving clause of which is as follows: ''That the Congress approves the change of nonmarket economy status with respect to the products of _____ transmitted by the President to the Congress on _____.'', the first blank space being filled in with the name of the country with respect to which a determination has been made under section 771(18)(C)(i) of the Tariff Act of 1930 (19 U.S.C. 1677(18)(C)(i)), and the second blank space being filled with the date on which the President notified the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives under subsection (b)(1).

(d) INTRODUCTION.—A joint resolution shall be introduced (by request) in the House by the majority leader of the House, for himself, or by Members of the House designated by the majority leader of the House, and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself, or by Members of the Senate designated by the majority leader of the Senate.

(e) AMENDMENTS PROHIBITED.—No amendment to a joint resolution shall be in order in either the House of Representatives or the Senate, and no motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House for the presiding officer to entertain a request to suspend the application of this subsection by unanimous consent.

(f) PERIOD FOR COMMITTEE AND FLOOR CONSIDERATION.—

(1) IN GENERAL.—If the committee or committees of either House to which a joint resolution has been referred have not reported the joint resolution at the close of the 45th day after its introduction, such committee or committees shall be automatically discharged from further consideration of the joint resolution and it shall be placed on the appropriate calendar. A vote on final passage of the joint resolution shall be taken in each House on or before the close of the 15th day after the joint resolution is reported by the committee or committees of that House to which it was referred, or after such committee or committees have been discharged from further consideration of the joint resolution. If, prior to the passage by one House of a joint resolution of that House, that House receives the same joint resolution from the other House, then—

(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House, but

(B) the vote on final passage shall be on the joint resolution of the other House.

(2) COMPUTATION OF DAYS.—For purposes of paragraph (1), in computing a number of days in either House, there shall be excluded any day on which that House is not in session.

(g) FLOOR CONSIDERATION IN THE HOUSE.—

(1) MOTION PRIVILEGED.—A motion in the House of Representatives to proceed to the consideration of a joint resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) DEBATE LIMITED.—Debate in the House of Representatives on a joint resolution shall be limited to not more than 20 hours, which

shall be divided equally between those favoring and those opposing the joint resolution. A motion further to limit debate shall not be debatable. It shall not be in order to move to recommit a joint resolution or to move to reconsider the vote by which a joint resolution is agreed to or disagreed to.

(3) MOTIONS TO POSTPONE.—Motions to postpone, made in the House of Representatives with respect to the consideration of a joint resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) APPEALS.—All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a joint resolution shall be decided without debate.

(5) OTHER RULES.—Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a joint resolution shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions in similar circumstances.

(h) FLOOR CONSIDERATION IN THE SENATE.—

(1) MOTION PRIVILEGED.—A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) DEBATE LIMITED.—Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) CONTROL OF DEBATE.—Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the joint resolution, except that in the event the manager of the joint resolution is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a joint resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) OTHER MOTIONS.—A motion in the Senate to further limit debate is not debatable. A motion to recommit a joint resolution is not in order.

(i) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—Subsections (c) through (h) are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such subsections (c) through (h) are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions described in subsection (c), and subsections (c) through (h) supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

TITLE III—EXPANSION OF APPLICABILITY OF COUNTERVAILING DUTIES

SEC. 301. APPLICATION OF COUNTERVAILING DUTIES TO NONMARKET ECONOMIES AND STRENGTHENING APPLICATION OF THE LAW.

(a) IN GENERAL.—Section 701(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1671(a)(1)) is amended by inserting ''(including a nonmarket economy country)'' after ''country'' each place it appears.

(b) DEFINITION OF COUNTERVAILABLE SUBSIDY.—Section 771(5)(E) of the Tariff Act of 1930 (19 U.S.C. 1677(5)(E)) is amended by adding at the end the following: ''For purposes of clauses (i) through (iv), if there is a reasonable indication that government intervention has distorted prices or other economic indicators in the country that is subject to the investigation or review, or if data regarding such prices or economic indicators are otherwise unavailable, then the administering authority shall measure the benefit conferred to the recipient by reference to data regarding relevant prices or other economic indicators from a country other than the country that is subject to the investigation or review. If there is a reasonable indication that prices or other economic indicators within a political subdivision, dependent territory, or possession of a foreign country are distorted, or data are not available, then the administering authority shall measure the benefit conferred to the recipient in that political subdivision, dependent territory, or possession by reference to data from the most comparable area or region in which relevant prices or other economic indicators are not distorted, regardless of whether such area or region is in the same country.''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) apply to petitions filed under section 702 of the Tariff Act of 1930 (19 U.S.C. 1671a) on or after the date of the enactment of this Act.

(d) ANTIDUMPING PROVISIONS NOT AFFECTED.—The amendments made by subsections (a) and (b) shall not affect the status of a country as a nonmarket economy country for the purposes of any matter relating to antidumping duties under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.).

SEC. 302. TREATMENT OF EXCHANGE-RATE MANIPULATION AS COUNTERVAILABLE SUBSIDY UNDER TITLE VII OF THE TARIFF ACT OF 1930.

(a) AMENDMENTS TO DEFINITION OF COUNTERVAILABLE SUBSIDY.—Section 771(5)(D) of the Tariff Act of 1930 (19 U.S.C. 1677(5)(D)) is amended—

(1) by striking ''The term'' and inserting ''(i) The term'';

(2) by redesignating clauses (i) through (iv) as subclauses (I) through (IV), respectively; and

(3) by adding at the end the following:

''(ii) The term 'provides a financial contribution' includes engaging in exchange-rate manipulation (as defined in paragraph (5C)).''.

(b) DEFINITION OF EXCHANGE-RATE MANIPULATION.—Section 771 of the Tariff Act of 1930 (19 U.S.C. 1677) is amended by inserting after paragraph (5B) the following new paragraph:

''(5C) DEFINITION OF EXCHANGE-RATE MANIPULATION.—

''(A) IN GENERAL.—For purposes of paragraphs (5) and (5A), the term 'exchange-rate manipulation' means protracted large-scale intervention by a country to undervalue the country's currency in the exchange market that prevents effective balance-of-payments adjustment or that gains an unfair competitive advantage over any other country.

''(B) FACTORS.—In determining whether exchange-rate manipulation is occurring and a benefit thereby conferred, the administering authority in each case—

''(i) shall consider the exporting country's—

''(I) bilateral balance-of-trade surplus or deficit with the United States;

''(II) balance-of-trade surplus or deficit with its other trading partners individually and in the aggregate;

''(III) foreign direct investment in its territory;

''(IV) currency-specific and aggregate amounts of foreign currency reserves; and

''(V) mechanisms employed to maintain its currency at a fixed exchange rate relative to another currency and, particularly, the nature, duration, monetary expenditures, and potential monetary expenditures of those mechanisms;

''(ii) may consider such other economic factors as are relevant; and

''(iii) shall measure the trade surpluses or deficits described in subclauses (I) and (II) of clause (i) with reference to the trade data reported by the United States and the other trading partners of the exporting country, unless such trade data are not available or are demonstrably inaccurate, in which case the exporting country's trade data may be relied upon if shown to be sufficiently accurate and trustworthy.

''(C) TYPE OF ECONOMY.—A country found to be engaged in exchange-rate manipulation may have—

''(i) a market economy;

''(ii) a nonmarket economy; or

''(iii) a combination thereof.''.

SEC. 303. AFFIRMATION OF NEGOTIATING OBJECTIVE ON BORDER TAXES.

The Congress reaffirms the negotiating objective relating to border taxes set forth in section 2102(b)(15) of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3802(b)(15)).

SEC. 304. PRESIDENTIAL CERTIFICATION; APPLICATION OF COUNTERVAILING DUTY LAW.

(a) CERTIFICATION BY THE PRESIDENT.—

(1) IN GENERAL.—The President shall certify to the Congress by January 1, 2009 that, under the Agreement on Subsidies and Countervailing Measures or subsequent agreement of the World Trade Organization, the full or partial exemption, remission, or deferral specifically related to exports of direct taxes is treated in the same manner as the full or partial exemption, remission, or deferral specifically related to exports of indirect taxes.

(2) EFFECT OF FAILURE TO CERTIFY.—If the President does not make the certification to Congress required by paragraph (1) by January 1, 2009, the Secretary of Commerce, in any investigation conducted under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) to determine whether a countervailable subsidy is being provided with respect to a product of a country that provides the full or partial exemption, remission, or deferral specifically related to exports of indirect taxes on products exported from that country, shall treat as a countervailable subsidy the full or partial exemption, remission, or deferral specifically related to exports of indirect taxes paid on that product.

(b) DEFINITIONS.—In this section:

(1) AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES.—The term ''Agreement on Subsidies and Countervailing Measures'' means the agreement referred to in section 101(d)(12) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(12)).

(2) DIRECT TAXES.—The term ''direct taxes'' means taxes on wages, profits, interest, rents, royalties, and all other forms of income, and taxes on the ownership of real property.

(3) IMPORT CHARGES.—The term ''import charges'' means tariffs, duties, and other fiscal charges that are levied on imports.

(4) INDIRECT TAXES.—The term ''indirect taxes'' means sales, excise, turnover, value added, franchise, stamp, transfer, inventory, and equipment taxes, border taxes, and all taxes other than direct taxes and import charges.

(5) FULL OR PARTIAL EXEMPTION, REMISSION, OR DEFERRAL SPECIFICALLY RELATED TO EXPORTS OF DIRECT TAXES.—The term ''full or partial exemption, remission, or deferral specifically related to exports of direct taxes'' means direct taxes that are paid to the United States Government by a business concern and are fully or partially exempted, remitted, or deferred by the Government by reason of the export by that business concern of its products from the United States.

(6) FULL OR PARTIAL EXEMPTION, REMISSION, OR DEFERRAL SPECIFICALLY RELATED TO EXPORTS OF INDIRECT TAXES.—The term ''full or partial exemption, remission, or deferral specifically related to exports of indirect taxes'' means indirect taxes that are paid to the government of a country by a business concern and are fully or partially exempted, remitted, or deferred by that government by reason of the export by that business concern of its products from that country.

(c) EFFECTIVE PERIOD.—

(1) IN GENERAL.—Subsection (a) shall cease to be effective on the date on which the President makes a certification described in subsection (a).

(2) TERMINATION OF COUNTERVAILING DUTY ORDERS.—Any countervailing duty order that is issued pursuant to an investigation conducted under subsection (a) and is still in effect on the date described in paragraph (1) shall terminate on such date.

TITLE IV—LIMITATION ON PRESIDENTIAL DISCRETION IN ADDRESSING MARKET DISRUPTION

SEC. 401. ACTION TO ADDRESS MARKET DISRUPTION.

Section 421 of the Trade Act of 1974 (19 U.S.C. 2451) is amended—

(1) in subsection (a), by striking ''to the extent and for such period'' and all that follows to the end period and inserting ''as recommended by the International Trade Commission'';

(2) in subsection (e), by striking ''agreed upon by either group'' and all that follows to the end period and inserting ''shall be considered an affirmative determination'';

(3) in subsection (f)—

(A) by striking ''ON PROPOSED REMEDIES'' in the heading and inserting ''FOR RELIEF'';

(B) by striking ''the Commission shall propose'' and inserting ''the Commission shall recommend''; and

(C) by striking ''proposed action'' and inserting ''recommended action'';

(4) by striking subsection (h);

(5) in subsection (i)—

(A) in the flush sentence at the end of paragraph (1), by striking ''agreed upon by either group'' and all that follows to the end period and inserting ''shall be deemed an affirmative determination''; and

(B) by striking paragraphs (3) and (4);

(6) by striking subsections (j) and (k);

(7) by amending paragraph (1) of subsection (*l*) to read as follows: ''(1) The President's implementation of the International Trade Commission remedy shall be published in the Federal Register.'';

(8) by amending subsection (m) to read as follows:

''(m) EFFECTIVE DATE OF RELIEF.—Import relief under this section shall take effect on the date the International Trade Commission's recommendation is published in the Federal Register, but not later than 15 days after the date of the Commission's vote recommending the relief.'';

(9) by amending subsection (n) to read as follows:

''(n) MODIFICATION OF RELIEF.—Any import relief that includes an increase in duty or the imposition of import restrictions shall be for a period not to exceed 3 years.''; and

(10) by striking subsection (o).

TITLE V—MISCELLANEOUS

SEC. 501. APPLICATION TO CANADA AND MEXICO.

Pursuant to article 1902 of the North American Free Trade Agreement and section 408 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3438), this Act and the amendments made by this Act shall apply with respect to goods from Canada and Mexico.

By Mr. DOMENICI:

S. 366. A bill to authorize the conveyance of certain Federal land in the State of New Mexico; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. DOMENICI. Mr. President, today I rise to introduce an uncontroversial piece of legislation that I hope will receive prompt committee action and will make its way quickly to the President's desk for his signature.

I would first like to familiarize the Senate with the important mission and related work of the Chihuahuan Desert Nature Park in Las Cruces, NM. The Chihuahuan Desert is the largest desert in North America and contains a great variety of unique plant and animal species. The ecosystem makes up an indispensable part of the Southwest's treasured ecological diversity. As such, it is important that we teach our youth an appreciation for New Mexico's biological diversity and impart upon them the value of this ecological treasure.

The Chihuahuan Desert Nature Park is a non-profit institution that has spent the past six years providing hands-on science education to K–12th graders. To achieve this mission, the Nature Park provides classroom presentations, field trips, schoolyard ecology projects and teacher workshops. The Nature Park serves more than 11,000 students and 600 teachers annually. This instruction will enable our future leaders to make informed decisions about how best to manage these valuable resources. I commend those at the Nature Park for taking the initiative to create and administer a wonderfully successful program that has been so beneficial to the surrounding community.

The Chihuahuan Desert Nature Park was granted a 1,000 acre easement in 1998 at the southern boundary of USDA—Agriculture Research Service (USDA–ARS) property just north of Las Cruces, NM. This easement will expire soon. It is important that we provide them a permanent location so that they are able to continue their valuable mission.

The bill I introduce today would transfer an insignificant amount of land: 1,000 of 193,000 USDA acres to the Desert Nature Park so that they may continue their important work. The USDA-ARS has approved the land transfer, noting the critically important mission of the Desert Park. In addition, this bill was passed by the Senate in the 109th Congress without amendments by unanimous consent. I have no doubt that Senators on both sides of the aisle will recognize the importance of this land transfer.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 366

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 ''Jornada Experimental Range Transfer Act of 2007''.

SEC. 2. DEFINITIONS.

In this Act:

(1) BOARD.—The term ''Board'' means the Chihuahuan Desert Nature Park Board.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

SEC. 3. CONVEYANCE OF LAND TO CHIHUAHUAN DESERT NATURE PARK BOARD.

(a) CONVEYANCE.—The Secretary may convey to the Board, by quitclaim deed, for no consideration, all right, title, and interest of the United States in and to the land described in subsection (b).

(b) DESCRIPTION OF LAND.—The parcel of land referred to in subsection (a) consists of not more than 1000 acres of land selected by the Secretary—

(1) that is located in the Jornada Experimental Range in the State of New Mexico; and

(2) that is subject to an easement granted by the Agricultural Research Service to the Board.

(c) CONDITIONS.—The conveyance of land under subsection (a) shall be subject to—

(1) the condition that the Board pay—

(A) the cost of any surveys of the land; and

(B) any other costs relating to the conveyance;

(2) any rights-of-way to the land reserved by the Secretary;

(3) a covenant or restriction in the deed to the land described in subsection (b) requiring that—

(A) the land may be used only for educational purposes;

(B) if the land is no longer used for the purposes described in subparagraph (A), the land shall, at the discretion of the Secretary, revert to the United States; and

(C) if the land is determined by the Secretary to be environmentally contaminated under subsection (d)(2)(A), the Board shall remediate the contamination; and

(4) any other terms and conditions that the Secretary determines to be appropriate.

(d) REVERSION.—If the land conveyed under subsection (a) is no longer used for the purposes described in subsection (c)(3)(A)—

(1) the land shall, at the discretion of the Secretary, revert to the United States; and

(2) if the Secretary chooses to have the land revert to the United States, the Secretary shall—

(A) determine whether the land is environmentally contaminated, including contamination from hazardous wastes, hazardous substances, pollutants, contaminants, petroleum, or petroleum by-products; and

(B) if the Secretary determines that the land is environmentally contaminated, the Board or any other person responsible for the contamination shall remediate the contamination.

By Mr. BIDEN (for himself, Mr. BAUCUS, Mrs. BOXER, Ms. CANTWELL, Mrs. CLINTON, Mr. DODD, Mrs. FEINSTEIN, Mr. HARKIN, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEAHY, Mr. LIEBERMAN, Mr. MENENDEZ, Ms.

MIKULSKI, Mr. OBAMA, Mr. REED, Mr. SALAZAR, Mr. SCHUMER, Mr. SMITH, Ms. STABENOW, and Mr. REID):

S. 368. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to enhance the cops on the beat grant program, and for other purposes; to the Committee on the Judiciary.

Mr. BIDEN. Mr. President, today, I rise to introduce legislation, the COPS Improvement Act of 2007, to reauthorize the Department of Justice's Office of Community Oriented Policing Services (COPS). This program has achieved what my colleagues and I hoped for back when we were debating the 1994 Crime Bill. Prior to the final vote, in August of 1994, I stated that ''I will vote for this bill, because, as much as anything I have ever voted on in 22 years in the U.S. Senate, I truly believe that passage of this legislation will make a difference in the lives of the American people. I believe with every fiber in my being that if this bill passes, fewer people will be murdered, fewer people will be victims, fewer women will be senselessly beaten, fewer people will continue on the drug path, and fewer children will become criminals.''

Fortunately, with the creation of the COPS program, we were able to form a partnership amongst Federal, State, and local law enforcement and create programs that helped drive down crime rates for eight consecutive years. In 1994 we had historically high rates of violent crimes, such as murders, forcible rapes, and aggravated assaults. We were able to reduce these to the lowest levels in a generation. We reduced the murder rate by 37.8 percent; we reduced forcible rapes by 19.1 percent; and we reduced aggravated assaults by 25.5 percent. Property crimes, including auto thefts also were reduced from historical highs to the lowest levels in decades. The COPS program has been endorsed by every major law enforcement group in the Nation, including the International Association of Chiefs of Police (IACP), the National Association of Police Organizations (NAPO), the National Sheriffs Association (NSA), the International Brotherhood of Police Organizations, the National Organization of Black Law Enforcement Officials (NOBLE), the International Union of Police Associations (IUPA), the Fraternal Order of Police, and others.

Rather than support this important program, the Bush Administration and Republican leadership has been set on eliminating it. President Bush has proposed cuts each year he has been in office, and while we have fought to maintain funding for COPS, the hiring program was completely eliminated in 2005. Overall funding for State and local law enforcement programs has been slashed by billions and the COPS hiring program has been completely eliminated. Last year's budget request contained only $117 million for local law enforcement from COPS and the complete elimination of the Justice Assistance Grant.

These cuts are coming at the worst possible time. Local law enforcement is facing what I have called a perfect storm. The FBI is reprogramming its field agents from local crime to terrorism. Undoubtedly, this is necessary given the threats facing our Nation. But, this means that there will be less Federal assistance for drug cases, bank robberies, and violent crime. Local law enforcement will be required to fill the gap left by the FBI in addition to performing more and more homeland security duties.

Due to budget restraints at the local level and the unprecedented cuts in Federal assistance they will be less able to do either. Articles in the USA Today and the New York Times highlighted the fact that many cities are being forced to eliminate officers because of local budgets woes. In fact, New York City has lost over 3,000 officers in the last few years. Other cities, such as Cleveland, MN, and Houston, TX, are facing similar shortages. As a result, local police chiefs are reluctantly pulling officers from the proactive policing activities that were so successful in the nineties, and they are unable to provide sufficient numbers of officers for Federal task forces. These choices are not made lightly. Police chiefs understand the value of proactive policing and the need to be involved in homeland security task forces; however, they simply don't have the manpower to do it all. Responding to emergency calls must take precedence over proactive programs and task forces, and we are beginning to pay the price. The FBI is reporting rising violent crime in cities throughout the Nation, with murder rates rising 3.4 percent in 2005. Additionally, the preliminary numbers for 2006 show that violent crime is up 3.7 percent and murder rates up 1.4 percent when compared to last year's preliminary numbers.

Although the COPS program was reauthorized as part of Department of Justice Reauthorization, this bill is critical for several reasons. First, it reestablishes our commitment to the hiring program by including a separate authorization of $600 million to hire officers to engage in community policing, intelligence gathering, and as school resource officers. We need more cops on the beat and in our schools, and this will help get us there. It also authorizes $350 million per year for technology grants, and it includes $200 million per year to help local district attorneys hire community prosecutors. Finally, it congressionally establishes the COPS office as the entity within the Department of Justice to carry out these functions in order to eliminate duplication of efforts. The bottom line is that this bill keeps faith with our State and local law enforcement officers who put their lives on the line every day to keep our communities safe from crime and terrorism. I would ask all of my colleagues to go ask their local police chief or sheriff and ask them if they should support this legislation, and I hope that they will because if they did it would be passed 100–0.

I ask unanimous consent that the text of this legislation be printed in the RECORD.

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

S. 368

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 ''COPS Improvements Act of 2007''.

SEC. 2. COPS GRANT IMPROVEMENTS.

(a) IN GENERAL.—Section 1701 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd) is amended—

(1) by amending subsection (a) to read as follows:

''(a) GRANT AUTHORIZATION.—The Attorney General shall carry out grant programs under which the Attorney General makes grants to States, units of local government, Indian tribal governments, other public and private entities, multi-jurisdictional or regional consortia, and individuals for the purposes described in subsections (b), (c), (d), and (e).'';

(2) in subsection (b)—

(A) by striking the subsection heading text and inserting ''COMMUNITY POLICING AND CRIME PREVENTION GRANTS'';

(B) in paragraph (3), by striking '', to increase the number of officers deployed in community-oriented policing'';

(C) in paragraph (4), by inserting ''or train'' after ''pay for'';

(D) by inserting after paragraph (4) the following:

''(5) award grants to hire school resource officers and to establish school-based partnerships between local law enforcement agencies and local school systems to combat crime, gangs, drug activities, and other problems in and around elementary and secondary schools;'';

(E) by striking paragraph (9);

(F) by redesignating paragraphs (10) through (12) as paragraphs (9) through (11), respectively;

(G) by striking paragraph (13);

(H) by redesignating paragraphs (14) through (17) as paragraphs (12) through (15), respectively;

(I) in paragraph (14), as so redesignated, by striking ''and'' at the end;

(J) in paragraph (15), as so redesignated, by striking the period at the end and inserting a semicolon; and

(K) by adding at the end the following:

''(16) establish and implement innovative programs to reduce and prevent illegal drug manufacturing, distribution, and use, including the manufacturing, distribution, and use of methamphetamine; and

''(17) award enhancing community policing and crime prevention grants that meet emerging law enforcement needs, as warranted.'';

(3) by striking subsection (c);

(4) by striking subsections (h) and (i);

(5) by redesignating subsections (d) through (g) as subsections (f) through (i), respectively;

(6) by inserting after subsection (b) the following:

''(c) TROOPS-TO-COPS PROGRAMS.—

''(1) IN GENERAL.—Grants made under subsection (a) may be used to hire former members of the Armed Forces to serve as career

law enforcement officers for deployment in community-oriented policing, particularly in communities that are adversely affected by a recent military base closing.

''(2) DEFINITION.—In this subsection, 'former member of the Armed Forces' means a member of the Armed Forces of the United States who is involuntarily separated from the Armed Forces within the meaning of section 1141 of title 10, United States Code.

''(d) COMMUNITY PROSECUTORS PROGRAM.—The Attorney General may make grants under subsection (a) to pay for additional community prosecuting programs, including programs that assign prosecutors to—

''(1) handle cases from specific geographic areas; and

''(2) address counter-terrorism problems, specific violent crime problems (including intensive illegal gang, gun, and drug enforcement and quality of life initiatives), and localized violent and other crime problems based on needs identified by local law enforcement agencies, community organizations, and others.

''(e) TECHNOLOGY GRANTS.—The Attorney General may make grants under subsection (a) to develop and use new technologies (including interoperable communications technologies, modernized criminal record technology, and forensic technology) to assist State and local law enforcement agencies in reorienting the emphasis of their activities from reacting to crime to preventing crime and to train law enforcement officers to use such technologies.'';

(7) in subsection (f), as so redesignated—

(A) in paragraph (1), by striking ''to States, units of local government, Indian tribal governments, and to other public and private entities,'';

(B) in paragraph (2), by striking ''define for State and local governments, and other public and private entities,'' and inserting ''establish'';

(C) in the first sentence of paragraph (3), by inserting ''(including regional community policing institutes)'' after ''training centers or facilities''; and

(D) by adding at the end the following:

''(4) EXCLUSIVITY.—The Office of Community Oriented Policing Services shall be the exclusive component of the Department of Justice to perform the functions and activities specified in this paragraph.'';

(8) in subsection (g), as so redesignated, by striking ''may utilize any component'', and all that follows and inserting ''shall use the Office of Community Oriented Policing Services of the Department of Justice in carrying out this part.'';

(9) in subsection (h), as so redesignated—

(A) by striking ''subsection (a)'' the first place that term appears and inserting ''paragraphs (1) and (2) of subsection (b)''; and

(B) by striking ''in each fiscal year pursuant to subsection (a)'' and inserting ''in each fiscal year for purposes described in paragraph (1) and (2) of subsection (b)'';

(10) in subsection (i), as so redesignated, by striking the second sentence; and

(11) by adding at the end the following:

''(j) RETENTION OF ADDITIONAL OFFICER POSITIONS.—For any grant under paragraph (1) or (2) of subsection (b) for hiring or rehiring career law enforcement officers, a grant recipient shall retain each additional law enforcement officer position created under that grant for not less than 12 months after the end of the period of that grant, unless the Attorney General waives, wholly or in part, the retention requirement of a program, project, or activity.''.

(b) APPLICATIONS.—Section 1702 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd-1) is amended—

(1) in subsection (c)—

(A) in the matter preceding paragraph (1), by inserting '', unless waived by the Attorney General'' after ''under this part shall'';

(B) by striking paragraph (8); and

(C) by redesignating paragraphs (9) through (11) as paragraphs (8) through (10), respectively; and

(2) by striking subsection (d).

(c) RENEWAL OF GRANTS.—Section 1703 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd-2) is amended to read as follows:

''SEC. 1703. RENEWAL OF GRANTS.

''(a) IN GENERAL.—A grant made under this part may be renewed, without limitations on the duration of such renewal, to provide additional funds, if the Attorney General determines that the funds made available to the recipient were used in a manner required under an approved application and if the recipient can demonstrate significant progress in achieving the objectives of the initial application.

''(b) NO COST EXTENSIONS.—Notwithstanding subsection (a), the Attorney General may extend a grant period, without limitations as to the duration of such extension, to provide additional time to complete the objectives of the initial grant award.''.

(d) LIMITATION ON USE OF FUNDS.—Section 1704 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd-3) is amended—

(1) in subsection (a), by striking ''that would, in the absence of Federal funds received under this part, be made available from State or local sources'' and inserting ''that the Attorney General determines would, in the absence of Federal funds received under this part, be made available for the purpose of the grant under this part from State or local sources''; and

(2) by striking subsection (c).

(e) ENFORCEMENT ACTIONS.—

(1) IN GENERAL.—Section 1706 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd-5) is amended—

(A) in the section heading, by striking ''**REVOCATION OR SUSPENSION OF FUNDING**'' and inserting ''**ENFORCEMENT ACTIONS**''; and

(B) by striking ''revoke or suspend'' and all that follows and inserting ''take any enforcement action available to the Department of Justice.''.

(2) TECHNICAL AND CONFORMING AMENDMENT.—The table of contents of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711) is amended by striking the item relating to section 1706 and inserting the following:

''Sec. 1706. Enforcement actions.''.

(f) DEFINITIONS.—Section 1709(1) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796dd-8(1)) is amended—

(1) by inserting ''who is a sworn law enforcement officer'' after ''permanent basis''; and

(2) by inserting '', including officers for the Amtrak Police Department'' before the period at the end.

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 1001(11) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3793(11)) is amended—

(1) in subparagraph (A), by striking ''1,047,119,000'' and inserting ''1,150,000,000''; and

(2) in subparagraph (B)—

(A) in the first sentence, by striking ''3 percent'' and inserting ''5 percent''; and

(B) by striking the second sentence and inserting the following: ''Of the funds available for grants under part Q, not less than $600,000,000 shall be used for grants for the purposes specified in section 1701(b), not more than $200,000,000 shall be used for grants under section 1701(d), and not more than $350,000,000 shall be used for grants under section 1701(e).''.

(h) PURPOSES.—Section 10002 of the Public Safety Partnership and Community Policing Act of 1994 (42 U.S.C. 3796dd note) is amended—

(1) in paragraph (4), by striking ''development'' and inserting ''use''; and

(2) in the matter following paragraph (4), by striking ''for a period of 6 years''.

(i) COPS PROGRAM IMPROVEMENTS.—

(1) IN GENERAL.—Section 109(b) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712h(b)) is amended—

(A) by striking paragraph (1);

(B) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(C) in paragraph (2), as so redesignated, by inserting '', except for the program under part Q of this title'' before the period.

(2) LAW ENFORCEMENT COMPUTER SYSTEMS.—Section 107 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3712f) is amended by adding at the end the following:

''(c) EXCEPTION.—This section shall not apply to any grant made under part Q of this title.''.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 37—DESIGNATING MARCH 26, 2007 AS ''NATIONAL SUPPORT THE TROOPS DAY'' AND ENCOURAGING THE PEOPLE OF THE UNITED STATES TO PARTICIPATE IN A MOMENT OF SILENCE TO REFLECT UPON THE SERVICE AND SACRIFICE OF MEMBERS OF THE ARMED FORCES BOTH AT HOME AND ABROAD

Ms. STABENOW (for herself and Mr. LEVIN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 37

Whereas it was through the brave and noble efforts of the forefathers of the United States that the United States first gained freedom and became a sovereign country;

Whereas there are more than 1,300,000 regular members of the Armed Forces and more than 1,100,000 members of the National Guard and Reserves serving the Nation in support and defense of the values and freedom that all people in the United States cherish;

Whereas the members of the Armed Forces deserve the utmost respect and admiration of the people of the United States for putting their lives in danger for the sake of the freedoms enjoyed by all people of the United States;

Whereas members of the Armed Forces are defending freedom and democracy around the globe and are playing a vital role in protecting the safety and security of all the people of the United States; and

Whereas all people of the United States should participate in a moment of silence to support the troops: Now, therefore, be it

Resolved, That the Senate—

(1) designates March 26, 2007 as ''National Support the Troops Day''; and

(2) encourages all people in the United States to participate in a moment of silence to reflect upon the service and sacrifice of members of the Armed Forces both at home and abroad.

AMENDMENTS SUBMITTED AND PROPOSED

SA 111. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table.

SA 112. Mr. SUNUNU submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 113. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 114. Mr. THUNE (for himself and Mr. VITTER) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 115. Mr. KYL proposed an amendment to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 116. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 117. Mr. CHAMBLISS (for himself, Mr. BURR, and Mr. ISAKSON) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 118. Mr. CHAMBLISS (for himself, Mr. ISAKSON, and Mr. BURR) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 119. Mr. BUNNING submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 120. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 121. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 122. Ms. SNOWE (for herself and Mrs. LINCOLN) submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 123. Ms. SNOWE (for herself and Mrs. LINCOLN) submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 124. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 125. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 126. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 127. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 128. Mr. KERRY (for himself and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 129. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 130. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 131. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 132. Mr. SMITH (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 133. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 134. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 135. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 136. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 137. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 138. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 139. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 140. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 141. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 142. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 143. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 144. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 145. Mr. SESSIONS (for himself, Mr. INHOFE, and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 146. Mr. SESSIONS (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 147. Mr. SESSIONS (for himself and Mr. INHOFE) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 148. Mr. SESSIONS (for himself, Mr. INHOFE, and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 149. Mr. ENSIGN (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 150. Mr. ENSIGN (for himself, Mr. SESSIONS, Mr. CRAIG, Mrs. DOLE, Mr. THOMAS, Mr. CORNYN, Mr. INHOFE, Mr. ISAKSON, and Mr. COLEMAN) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 151. Mr. ENSIGN (for himself, Mr. DEMINT, Mr. GRAHAM, and Mr. COBURN) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 152. Mr. ENSIGN (for himself and Mr. INHOFE) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 153. Mr. ENSIGN (for himself, Mr. SESSIONS, Mr. CRAIG, Mrs. DOLE, Mr. THOMAS, Mr. CORNYN, Mr. INHOFE, Mr. ISAKSON, and Mr. COLEMAN) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 154. Mr. ENSIGN (for himself, Mr. DEMINT, Mr. GRAHAM, and Mr. COBURN) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra.

SA 155. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 156. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 157. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 158. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 159. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 160. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 161. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 162. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 163. Ms. SNOWE (for herself and Mr. FEINGOLD) submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 164. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 165. Mr. SMITH (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 166. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 167. Mrs. FEINSTEIN (for herself and Mr. CRAIG) submitted an amendment intended to be proposed to amendment SA 118 submitted by Mr. CHAMBLISS (for himself, Mr. ISAKSON, and Mr. BURR) and intended to be proposed to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 168. Mrs. FEINSTEIN (for herself and Mr. CRAIG) submitted an amendment intended to be proposed to amendment SA 117 submitted by Mr. CHAMBLISS (for himself, Mr. BURR, and Mr. ISAKSON) and intended to

be proposed to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 169. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 170. Mr. GREGG (for himself, Mr. SUNUNU, and Mr. ISAKSON) submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 171. Mr. GREGG (for himself, Mr. SUNUNU, and Mr. ISAKSON) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 172. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 173. Mr. KERRY submitted an amendment intended to be proposed to amendment SA 112 submitted by Mr. SUNUNU to the amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 174. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

SA 175. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 2, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 111. Mr. SUNUNU submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PUBLIC HOUSING AGENCY PLANS FOR CERTAIN QUALIFIED PUBLIC HOUSING AGENCIES.

(a) SHORT TITLE.—This section may be cited as the ''Small Public Housing Authorities Paperwork Reduction Act''.

(b) IN GENERAL.—Section 5A(b) of the United States Housing Act of 1937 (42 U.S.C. 1437c–1(b)) is amended by adding at the end the following:

''(3) EXEMPTION OF CERTAIN PHAS FROM FILING REQUIREMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1) or any other provision of this Act—

''(i) the requirement under paragraph (1) shall not apply to any qualified public housing agency; and

''(ii) except as provided in subsection (e)(4)(B), any reference in this section or any other provision of law to a 'public housing agency' shall not be considered to refer to any qualified public housing agency, to the extent such reference applies to the requirement to submit an annual public housing agency plan under this subsection.

''(B) CIVIL RIGHTS CERTIFICATION.—Notwithstanding that qualified public housing agencies are exempt under subparagraph (A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall, on an annual basis, make the certification described in paragraph (16) of subsection (d), except that for purposes of such qualified public housing agencies, such paragraph shall be applied by substituting 'the public housing program of the agency' for 'the public housing agency plan'.

''(C) DEFINITION.—For purposes of this section, the term 'qualified public housing agency' means a public housing agency that—

''(i) administers—

''(I) 500 or fewer public housing dwelling units; or

''(II) any number of vouchers under section 8(o) of this Act; and

''(ii) is not designated under section 6(j)(2) as a troubled public housing agency.''.

(c) RESIDENT PARTICIPATION.—Section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) is amended—

(1) in subsection (e), by inserting after paragraph (3) the following:

''(4) QUALIFIED PUBLIC HOUSING AGENCIES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), nothing in this section may be construed to exempt a qualified public housing agency from the requirement under paragraph (1) to establish 1 or more resident advisory boards. Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to prepare and submit an annual public housing plan, each qualified public housing agency shall consult with, and consider the recommendations of the resident advisory boards for the agency, at the annual public hearing required under subsection (f)(5), regarding any changes to the goals, objectives, and policies of that agency.

''(B) APPLICABILITY OF WAIVER AUTHORITY.—Paragraph (3) shall apply to qualified public housing agencies, except that for purposes of such qualified public housing agencies, subparagraph (B) of such paragraph shall be applied by substituting 'the functions described in the second sentence of paragraph (4)(A)' for 'the functions described in paragraph (2)'.

''(f) PUBLIC HEARINGS.—''; and

(2) in subsection (f) (as so designated by the amendment made by paragraph (1)), by adding at the end the following:

''(5) QUALIFIED PUBLIC HOUSING AGENCIES.—

''(A) REQUIREMENT.—Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to conduct a public hearing regarding the annual public housing plan of the agency, each qualified public housing agency shall annually conduct a public hearing—

''(i) to discuss any changes to the goals, objectives, and policies of the agency; and

''(ii) to invite public comment regarding such changes.

''(B) AVAILABILITY OF INFORMATION AND NOTICE.—Not later than 45 days before the date of any hearing described in subparagraph (A), a qualified public housing agency shall—

''(i) make all information relevant to the hearing and any determinations of the agency regarding changes to the goals, objectives, and policies of the agency to be considered at the hearing available for inspection by the public at the principal office of the public housing agency during normal business hours; and

''(ii) publish a notice informing the public that—

''(I) the information is available as required under clause (i); and

''(II) a public hearing under subparagraph (A) will be conducted.''

SA 112. Mr. SUNUNU submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place, insert the following:

SEC. ___. RENEWAL GRANTS FOR WOMEN'S BUSINESS CENTERS.

Section 29 of the Small Business Act (15 U.S.C. 656) is amended by adding at the end the following:

''(m) CONTINUED FUNDING FOR CENTERS.—

''(1) IN GENERAL.—A nonprofit organization described in paragraph (2) shall be eligible to receive, subject to paragraph (3), a 3-year grant under this subsection.

''(2) APPLICABILITY.—A nonprofit organization described in this paragraph is a nonprofit organization that—

''(A) has received funding under subsections (b) and (l); and

''(B) is not eligible under the programs under such subsections for the first fiscal year after the end of the period of financial assistance under subsection (l).

''(3) APPLICATION AND APPROVAL CRITERIA.—

''(A) CRITERIA.—The Administrator shall develop and publish criteria for the consideration and approval of applications by nonprofit organizations under this subsection.

''(B) NOTIFICATION.—Not later than 60 days after the date of the deadline to submit applications for each fiscal year, the Administrator shall approve or deny any application under this subsection and notify the applicant for each such application.

''(4) AWARD OF GRANTS.—

''(A) IN GENERAL.—Subject to the availability of appropriations, the Administrator shall make a grant for the Federal share of the cost of activities described in the application to each applicant approved under this subsection.

''(B) AMOUNT.—A grant under this subsection shall be for not less than $90,000 and not more than $150,000, for each year of that grant.

''(C) FEDERAL SHARE.—The Federal share under this subsection shall be not more than 50 percent.

''(D) PRIORITY.—In allocating funds made available for grants under this section, the Administrator shall give applications under this subsection priority over first-time applications under subsection (b).

''(5) RENEWAL.—The Administrator may renew a grant under this subsection for additional 3-year periods, if the nonprofit organization submits an application for such renewal at such time, in such manner, and accompanied by such information as the Administrator may establish.''.

SA 113. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PERMANENT EXTENSION OF CERTAIN EDUCATION-RELATED TAX INCENTIVES.

(a) REPEAL OF SUNSET ON AFFORDABLE EDUCATION PROVISIONS.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (relating to sunset of provisions of such Act) shall not apply to title IV of such Act (relating to affordable education provisions).

(b) PERMANENT EXTENSION OF ABOVE-THE-LINE DEDUCTION FOR CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—Subparagraph (D) of section 62(a)(2) of the Internal Revenue Code of 1986 is amended by striking ''In the case of taxable years beginning during 2002, 2003, 2004, 2005, 2006, or 2007, the deductions'' and inserting ''The deductions''.

SA 114. Mr. THUNE (for himself and Mr. VITTER) submitted an amendment

intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE ____—SMALL BUSINESS HEALTH COVERAGE

SEC. __01. SHORT TITLE.

This title may be cited as the ''Small Business Health Improvement Act of 2007''.

SEC. __02. RULES GOVERNING ASSOCIATION HEALTH PLANS.

(a) IN GENERAL.—Subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by adding after part 7 the following new part:

''PART 8—RULES GOVERNING ASSOCIATION HEALTH PLANS

''SEC. 801. ASSOCIATION HEALTH PLANS.

''(a) IN GENERAL.—For purposes of this part, the term 'association health plan' means a group health plan whose sponsor is (or is deemed under this part to be) described in subsection (b).

''(b) SPONSORSHIP.—The sponsor of a group health plan is described in this subsection if such sponsor—

''(1) is organized and maintained in good faith, with a constitution and bylaws specifically stating its purpose and providing for periodic meetings on at least an annual basis, as a bona fide trade association, a bona fide industry association (including a rural electric cooperative association or a rural telephone cooperative association), a bona fide professional association, or a bona fide chamber of commerce (or similar bona fide business association, including a corporation or similar organization that operates on a cooperative basis (within the meaning of section 1381 of the Internal Revenue Code of 1986)), for substantial purposes other than that of obtaining or providing medical care;

''(2) is established as a permanent entity which receives the active support of its members and requires for membership payment on a periodic basis of dues or payments necessary to maintain eligibility for membership in the sponsor; and

''(3) does not condition membership, such dues or payments, or coverage under the plan on the basis of health status-related factors with respect to the employees of its members (or affiliated members), or the dependents of such employees, and does not condition such dues or payments on the basis of group health plan participation.

Any sponsor consisting of an association of entities which meet the requirements of paragraphs (1), (2), and (3) shall be deemed to be a sponsor described in this subsection.

''SEC. 802. CERTIFICATION OF ASSOCIATION HEALTH PLANS.

''(a) IN GENERAL.—The applicable authority shall prescribe by regulation a procedure under which, subject to subsection (b), the applicable authority shall certify association health plans which apply for certification as meeting the requirements of this part.

''(b) STANDARDS.—Under the procedure prescribed pursuant to subsection (a), in the case of an association health plan that provides at least one benefit option which does not consist of health insurance coverage, the applicable authority shall certify such plan as meeting the requirements of this part only if the applicable authority is satisfied that the applicable requirements of this part are met (or, upon the date on which the plan is to commence operations, will be met) with respect to the plan.

''(c) REQUIREMENTS APPLICABLE TO CERTIFIED PLANS.—An association health plan with respect to which certification under this part is in effect shall meet the applicable requirements of this part, effective on the date of certification (or, if later, on the date on which the plan is to commence operations).

''(d) REQUIREMENTS FOR CONTINUED CERTIFICATION.—The applicable authority may provide by regulation for continued certification of association health plans under this part.

''(e) CLASS CERTIFICATION FOR FULLY INSURED PLANS.—The applicable authority shall establish a class certification procedure for association health plans under which all benefits consist of health insurance coverage. Under such procedure, the applicable authority shall provide for the granting of certification under this part to the plans in each class of such association health plans upon appropriate filing under such procedure in connection with plans in such class and payment of the prescribed fee under section 807(a).

''(f) CERTIFICATION OF SELF-INSURED ASSOCIATION HEALTH PLANS.—An association health plan which offers one or more benefit options which do not consist of health insurance coverage may be certified under this part only if such plan consists of any of the following:

''(1) a plan which offered such coverage on the date of the enactment of the Small Business Health Improvement Act of 2007,

''(2) a plan under which the sponsor does not restrict membership to one or more trades and businesses or industries and whose eligible participating employers represent a broad cross-section of trades and businesses or industries, or

''(3) a plan whose eligible participating employers represent one or more trades or businesses, or one or more industries, consisting of any of the following: agriculture; equipment and automobile dealerships; barbering and cosmetology; certified public accounting practices; child care; construction; dance, theatrical and orchestra productions; disinfecting and pest control; financial services; fishing; foodservice establishments; hospitals; labor organizations; logging; manufacturing (metals); mining; medical and dental practices; medical laboratories; professional consulting services; sanitary services; transportation (local and freight); warehousing; wholesaling/distributing; or any other trade or business or industry which has been indicated as having average or above-average risk or health claims experience by reason of State rate filings, denials of coverage, proposed premium rate levels, or other means demonstrated by such plan in accordance with regulations.

''SEC. 803. REQUIREMENTS RELATING TO SPONSORS AND BOARDS OF TRUSTEES.

''(a) SPONSOR.—The requirements of this subsection are met with respect to an association health plan if the sponsor has met (or is deemed under this part to have met) the requirements of section 801(b) for a continuous period of not less than 3 years ending with the date of the application for certification under this part.

''(b) BOARD OF TRUSTEES.—The requirements of this subsection are met with respect to an association health plan if the following requirements are met:

''(1) FISCAL CONTROL.—The plan is operated, pursuant to a trust agreement, by a board of trustees which has complete fiscal control over the plan and which is responsible for all operations of the plan.

''(2) RULES OF OPERATION AND FINANCIAL CONTROLS.—The board of trustees has in effect rules of operation and financial controls, based on a 3-year plan of operation, adequate to carry out the terms of the plan and to meet all requirements of this title applicable to the plan.

''(3) RULES GOVERNING RELATIONSHIP TO PARTICIPATING EMPLOYERS AND TO CONTRACTORS.—

''(A) BOARD MEMBERSHIP.—

''(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), the members of the board of trustees are individuals selected from individuals who are the owners, officers, directors, or employees of the participating employers or who are partners in the participating employers and actively participate in the business.

''(ii) LIMITATION.—

''(I) GENERAL RULE.—Except as provided in subclauses (II) and (III), no such member is an owner, officer, director, or employee of, or partner in, a contract administrator or other service provider to the plan.

''(II) LIMITED EXCEPTION FOR PROVIDERS OF SERVICES SOLELY ON BEHALF OF THE SPONSOR.—Officers or employees of a sponsor which is a service provider (other than a contract administrator) to the plan may be members of the board if they constitute not more than 25 percent of the membership of the board and they do not provide services to the plan other than on behalf of the sponsor.

''(III) TREATMENT OF PROVIDERS OF MEDICAL CARE.—In the case of a sponsor which is an association whose membership consists primarily of providers of medical care, subclause (I) shall not apply in the case of any service provider described in subclause (I) who is a provider of medical care under the plan.

''(iii) CERTAIN PLANS EXCLUDED.—Clause (i) shall not apply to an association health plan which is in existence on the date of the enactment of the Small Business Health Improvement Act of 2007.

''(B) SOLE AUTHORITY.—The board has sole authority under the plan to approve applications for participation in the plan and to contract with a service provider to administer the day-to-day affairs of the plan.

''(c) TREATMENT OF FRANCHISE NETWORKS.—In the case of a group health plan which is established and maintained by a franchiser for a franchise network consisting of its franchisees—

''(1) the requirements of subsection (a) and section 801(a) shall be deemed met if such requirements would otherwise be met if the franchiser were deemed to be the sponsor referred to in section 801(b), such network were deemed to be an association described in section 801(b), and each franchisee were deemed to be a member (of the association and the sponsor) referred to in section 801(b); and

''(2) the requirements of section 804(a)(1) shall be deemed met.

The Secretary may by regulation define for purposes of this subsection the terms 'franchiser', 'franchise network', and 'franchisee'.

''SEC. 804. PARTICIPATION AND COVERAGE REQUIREMENTS.

''(a) COVERED EMPLOYERS AND INDIVIDUALS.—The requirements of this subsection are met with respect to an association health plan if, under the terms of the plan—

''(1) each participating employer must be—

''(A) a member of the sponsor,

''(B) the sponsor, or

''(C) an affiliated member of the sponsor with respect to which the requirements of subsection (b) are met,

except that, in the case of a sponsor which is a professional association or other individual-based association, if at least one of the officers, directors, or employees of an employer, or at least one of the individuals

who are partners in an employer and who actively participates in the business, is a member or such an affiliated member of the sponsor, participating employers may also include such employer; and

''(2) all individuals commencing coverage under the plan after certification under this part must be—

''(A) active or retired owners (including self-employed individuals), officers, directors, or employees of, or partners in, participating employers; or

''(B) the beneficiaries of individuals described in subparagraph (A).

''(b) COVERAGE OF PREVIOUSLY UNINSURED EMPLOYEES.—In the case of an association health plan in existence on the date of the enactment of the Small Business Health Improvement Act of 2007, an affiliated member of the sponsor of the plan may be offered coverage under the plan as a participating employer only if—

''(1) the affiliated member was an affiliated member on the date of certification under this part; or

''(2) during the 12-month period preceding the date of the offering of such coverage, the affiliated member has not maintained or contributed to a group health plan with respect to any of its employees who would otherwise be eligible to participate in such association health plan.

''(c) INDIVIDUAL MARKET UNAFFECTED.—The requirements of this subsection are met with respect to an association health plan if, under the terms of the plan, no participating employer may provide health insurance coverage in the individual market for any employee not covered under the plan which is similar to the coverage contemporaneously provided to employees of the employer under the plan, if such exclusion of the employee from coverage under the plan is based on a health status-related factor with respect to the employee and such employee would, but for such exclusion on such basis, be eligible for coverage under the plan.

''(d) PROHIBITION OF DISCRIMINATION AGAINST EMPLOYERS AND EMPLOYEES ELIGIBLE TO PARTICIPATE.—The requirements of this subsection are met with respect to an association health plan if—

''(1) under the terms of the plan, all employers meeting the preceding requirements of this section are eligible to qualify as participating employers for all geographically available coverage options, unless, in the case of any such employer, participation or contribution requirements of the type referred to in section 2711 of the Public Health Service Act are not met;

''(2) upon request, any employer eligible to participate is furnished information regarding all coverage options available under the plan; and

''(3) the applicable requirements of sections 701, 702, and 703 are met with respect to the plan.

''SEC. 805. OTHER REQUIREMENTS RELATING TO PLAN DOCUMENTS, CONTRIBUTION RATES, AND BENEFIT OPTIONS.

''(a) IN GENERAL.—The requirements of this section are met with respect to an association health plan if the following requirements are met:

''(1) CONTENTS OF GOVERNING INSTRUMENTS.—The instruments governing the plan include a written instrument, meeting the requirements of an instrument required under section 402(a)(1), which—

''(A) provides that the board of trustees serves as the named fiduciary required for plans under section 402(a)(1) and serves in the capacity of a plan administrator (referred to in section 3(16)(A));

''(B) provides that the sponsor of the plan is to serve as plan sponsor (referred to in section 3(16)(B)); and

''(C) incorporates the requirements of section 806.

''(2) CONTRIBUTION RATES MUST BE NONDISCRIMINATORY.—

''(A) The contribution rates for any participating small employer do not vary on the basis of any health status-related factor in relation to employees of such employer or their beneficiaries and do not vary on the basis of the type of business or industry in which such employer is engaged.

''(B) Nothing in this title or any other provision of law shall be construed to preclude an association health plan, or a health insurance issuer offering health insurance coverage in connection with an association health plan, from—

''(i) setting contribution rates based on the claims experience of the plan; or

''(ii) varying contribution rates for small employers in a State to the extent that such rates could vary using the same methodology employed in such State for regulating premium rates in the small group market with respect to health insurance coverage offered in connection with bona fide associations (within the meaning of section 2791(d)(3) of the Public Health Service Act),

subject to the requirements of section 702(b) relating to contribution rates.

''(3) FLOOR FOR NUMBER OF COVERED INDIVIDUALS WITH RESPECT TO CERTAIN PLANS.—If any benefit option under the plan does not consist of health insurance coverage, the plan has as of the beginning of the plan year not fewer than 1,000 participants and beneficiaries.

''(4) MARKETING REQUIREMENTS.—

''(A) IN GENERAL.—If a benefit option which consists of health insurance coverage is offered under the plan, State-licensed insurance agents shall be used to distribute to small employers coverage which does not consist of health insurance coverage in a manner comparable to the manner in which such agents are used to distribute health insurance coverage.

''(B) STATE-LICENSED INSURANCE AGENTS.—For purposes of subparagraph (A), the term 'State-licensed insurance agents' means one or more agents who are licensed in a State and are subject to the laws of such State relating to licensure, qualification, testing, examination, and continuing education of persons authorized to offer, sell, or solicit health insurance coverage in such State.

''(5) REGULATORY REQUIREMENTS.—Such other requirements as the applicable authority determines are necessary to carry out the purposes of this part, which shall be prescribed by the applicable authority by regulation.

''(b) ABILITY OF ASSOCIATION HEALTH PLANS TO DESIGN BENEFIT OPTIONS.—Subject to section 514(d), nothing in this part or any provision of State law (as defined in section 514(c)(1)) shall be construed to preclude an association health plan, or a health insurance issuer offering health insurance coverage in connection with an association health plan, from exercising its sole discretion in selecting the specific items and services consisting of medical care to be included as benefits under such plan or coverage, except (subject to section 514) in the case of (1) any law to the extent that it is not preempted under section 731(a)(1) with respect to matters governed by section 711, 712, or 713, or (2) any law of the State with which filing and approval of a policy type offered by the plan was initially obtained to the extent that such law prohibits an exclusion of a specific disease from such coverage.

''SEC. 806. MAINTENANCE OF RESERVES AND PROVISIONS FOR SOLVENCY FOR PLANS PROVIDING HEALTH BENEFITS IN ADDITION TO HEALTH INSURANCE COVERAGE.

''(a) IN GENERAL.—The requirements of this section are met with respect to an association health plan if—

''(1) the benefits under the plan consist solely of health insurance coverage; or

''(2) if the plan provides any additional benefit options which do not consist of health insurance coverage, the plan—

''(A) establishes and maintains reserves with respect to such additional benefit options, in amounts recommended by the qualified actuary, consisting of—

''(i) a reserve sufficient for unearned contributions;

''(ii) a reserve sufficient for benefit liabilities which have been incurred, which have not been satisfied, and for which risk of loss has not yet been transferred, and for expected administrative costs with respect to such benefit liabilities;

''(iii) a reserve sufficient for any other obligations of the plan; and

''(iv) a reserve sufficient for a margin of error and other fluctuations, taking into account the specific circumstances of the plan; and

''(B) establishes and maintains aggregate and specific excess/stop loss insurance and solvency indemnification, with respect to such additional benefit options for which risk of loss has not yet been transferred, as follows:

''(i) The plan shall secure aggregate excess/stop loss insurance for the plan with an attachment point which is not greater than 125 percent of expected gross annual claims. The applicable authority may by regulation provide for upward adjustments in the amount of such percentage in specified circumstances in which the plan specifically provides for and maintains reserves in excess of the amounts required under subparagraph (A).

''(ii) The plan shall secure specific excess/stop loss insurance for the plan with an attachment point which is at least equal to an amount recommended by the plan's qualified actuary. The applicable authority may by regulation provide for adjustments in the amount of such insurance in specified circumstances in which the plan specifically provides for and maintains reserves in excess of the amounts required under subparagraph (A).

''(iii) The plan shall secure indemnification insurance for any claims which the plan is unable to satisfy by reason of a plan termination.

Any person issuing to a plan insurance described in clause (i), (ii), or (iii) of subparagraph (B) shall notify the Secretary of any failure of premium payment meriting cancellation of the policy prior to undertaking such a cancellation. Any regulations prescribed by the applicable authority pursuant to clause (i) or (ii) of subparagraph (B) may allow for such adjustments in the required levels of excess/stop loss insurance as the qualified actuary may recommend, taking into account the specific circumstances of the plan.

''(b) MINIMUM SURPLUS IN ADDITION TO CLAIMS RESERVES.—In the case of any association health plan described in subsection (a)(2), the requirements of this subsection are met if the plan establishes and maintains surplus in an amount at least equal to—

''(1) $500,000, or

''(2) such greater amount (but not greater than $2,000,000) as may be set forth in regulations prescribed by the applicable authority, considering the level of aggregate and specific excess/stop loss insurance provided with

respect to such plan and other factors related to solvency risk, such as the plan's projected levels of participation or claims, the nature of the plan's liabilities, and the types of assets available to assure that such liabilities are met.

''(c) ADDITIONAL REQUIREMENTS.—In the case of any association health plan described in subsection (a)(2), the applicable authority may provide such additional requirements relating to reserves, excess/stop loss insurance, and indemnification insurance as the applicable authority considers appropriate. Such requirements may be provided by regulation with respect to any such plan or any class of such plans.

''(d) ADJUSTMENTS FOR EXCESS/STOP LOSS INSURANCE.—The applicable authority may provide for adjustments to the levels of reserves otherwise required under subsections (a) and (b) with respect to any plan or class of plans to take into account excess/stop loss insurance provided with respect to such plan or plans.

''(e) ALTERNATIVE MEANS OF COMPLIANCE.—The applicable authority may permit an association health plan described in subsection (a)(2) to substitute, for all or part of the requirements of this section (except subsection (a)(2)(B)(iii)), such security, guarantee, hold-harmless arrangement, or other financial arrangement as the applicable authority determines to be adequate to enable the plan to fully meet all its financial obligations on a timely basis and is otherwise no less protective of the interests of participants and beneficiaries than the requirements for which it is substituted. The applicable authority may take into account, for purposes of this subsection, evidence provided by the plan or sponsor which demonstrates an assumption of liability with respect to the plan. Such evidence may be in the form of a contract of indemnification, lien, bonding, insurance, letter of credit, recourse under applicable terms of the plan in the form of assessments of participating employers, security, or other financial arrangement.

''(f) MEASURES TO ENSURE CONTINUED PAYMENT OF BENEFITS BY CERTAIN PLANS IN DISTRESS.—

''(1) PAYMENTS BY CERTAIN PLANS TO ASSOCIATION HEALTH PLAN FUND.—

''(A) IN GENERAL.—In the case of an association health plan described in subsection (a)(2), the requirements of this subsection are met if the plan makes payments into the Association Health Plan Fund under this subparagraph when they are due. Such payments shall consist of annual payments in the amount of $5,000, and, in addition to such annual payments, such supplemental payments as the Secretary may determine to be necessary under paragraph (2). Payments under this paragraph are payable to the Fund at the time determined by the Secretary. Initial payments are due in advance of certification under this part. Payments shall continue to accrue until a plan's assets are distributed pursuant to a termination procedure.

''(B) PENALTIES FOR FAILURE TO MAKE PAYMENTS.—If any payment is not made by a plan when it is due, a late payment charge of not more than 100 percent of the payment which was not timely paid shall be payable by the plan to the Fund.

''(C) CONTINUED DUTY OF THE SECRETARY.—The Secretary shall not cease to carry out the provisions of paragraph (2) on account of the failure of a plan to pay any payment when due.

''(2) PAYMENTS BY SECRETARY TO CONTINUE EXCESS/STOP LOSS INSURANCE COVERAGE AND INDEMNIFICATION INSURANCE COVERAGE FOR CERTAIN PLANS.—In any case in which the applicable authority determines that there is, or that there is reason to believe that there will be: (A) a failure to take necessary corrective actions under section 809(a) with respect to an association health plan described in subsection (a)(2); or (B) a termination of such a plan under section 809(b) or 810(b)(8) (and, if the applicable authority is not the Secretary, certifies such determination to the Secretary), the Secretary shall determine the amounts necessary to make payments to an insurer (designated by the Secretary) to maintain in force excess/stop loss insurance coverage or indemnification insurance coverage for such plan, if the Secretary determines that there is a reasonable expectation that, without such payments, claims would not be satisfied by reason of termination of such coverage. The Secretary shall, to the extent provided in advance in appropriation Acts, pay such amounts so determined to the insurer designated by the Secretary.

''(3) ASSOCIATION HEALTH PLAN FUND.—

''(A) IN GENERAL.—There is established on the books of the Treasury a fund to be known as the 'Association Health Plan Fund'. The Fund shall be available for making payments pursuant to paragraph (2). The Fund shall be credited with payments received pursuant to paragraph (1)(A), penalties received pursuant to paragraph (1)(B); and earnings on investments of amounts of the Fund under subparagraph (B).

''(B) INVESTMENT.—Whenever the Secretary determines that the moneys of the fund are in excess of current needs, the Secretary may request the investment of such amounts as the Secretary determines advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

''(g) EXCESS/STOP LOSS INSURANCE.—For purposes of this section—

''(1) AGGREGATE EXCESS/STOP LOSS INSURANCE.—The term 'aggregate excess/stop loss insurance' means, in connection with an association health plan, a contract—

''(A) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation) provides for payment to the plan with respect to aggregate claims under the plan in excess of an amount or amounts specified in such contract;

''(B) which is guaranteed renewable; and

''(C) which allows for payment of premiums by any third party on behalf of the insured plan.

''(2) SPECIFIC EXCESS/STOP LOSS INSURANCE.—The term 'specific excess/stop loss insurance' means, in connection with an association health plan, a contract—

''(A) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation) provides for payment to the plan with respect to claims under the plan in connection with a covered individual in excess of an amount or amounts specified in such contract in connection with such covered individual;

''(B) which is guaranteed renewable; and

''(C) which allows for payment of premiums by any third party on behalf of the insured plan.

''(h) INDEMNIFICATION INSURANCE.—For purposes of this section, the term 'indemnification insurance' means, in connection with an association health plan, a contract—

''(1) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation) provides for payment to the plan with respect to claims under the plan which the plan is unable to satisfy by reason of a termination pursuant to section 809(b) (relating to mandatory termination);

''(2) which is guaranteed renewable and noncancellable for any reason (except as the applicable authority may prescribe by regulation); and

''(3) which allows for payment of premiums by any third party on behalf of the insured plan.

''(i) RESERVES.—For purposes of this section, the term 'reserves' means, in connection with an association health plan, plan assets which meet the fiduciary standards under part 4 and such additional requirements regarding liquidity as the applicable authority may prescribe by regulation.

''(j) SOLVENCY STANDARDS WORKING GROUP.—

''(1) IN GENERAL.—Within 90 days after the date of the enactment of the Small Business Health Improvement Act of 2007, the applicable authority shall establish a Solvency Standards Working Group. In prescribing the initial regulations under this section, the applicable authority shall take into account the recommendations of such Working Group.

''(2) MEMBERSHIP.—The Working Group shall consist of not more than 15 members appointed by the applicable authority. The applicable authority shall include among persons invited to membership on the Working Group at least one of each of the following:

''(A) a representative of the National Association of Insurance Commissioners;

''(B) a representative of the American Academy of Actuaries;

''(C) a representative of the State governments, or their interests;

''(D) a representative of existing self-insured arrangements, or their interests;

''(E) a representative of associations of the type referred to in section 801(b)(1), or their interests; and

''(F) a representative of multiemployer plans that are group health plans, or their interests.

"SEC. 807. REQUIREMENTS FOR APPLICATION AND RELATED REQUIREMENTS.

''(a) FILING FEE.—Under the procedure prescribed pursuant to section 802(a), an association health plan shall pay to the applicable authority at the time of filing an application for certification under this part a filing fee in the amount of $5,000, which shall be available in the case of the Secretary, to the extent provided in appropriation Acts, for the sole purpose of administering the certification procedures applicable with respect to association health plans.

''(b) INFORMATION TO BE INCLUDED IN APPLICATION FOR CERTIFICATION.—An application for certification under this part meets the requirements of this section only if it includes, in a manner and form which shall be prescribed by the applicable authority by regulation, at least the following information:

''(1) IDENTIFYING INFORMATION.—The names and addresses of—

''(A) the sponsor; and

''(B) the members of the board of trustees of the plan.

''(2) STATES IN WHICH PLAN INTENDS TO DO BUSINESS.—The States in which participants and beneficiaries under the plan are to be located and the number of them expected to be located in each such State.

''(3) BONDING REQUIREMENTS.—Evidence provided by the board of trustees that the bonding requirements of section 412 will be met as of the date of the application or (if later) commencement of operations.

''(4) PLAN DOCUMENTS.—A copy of the documents governing the plan (including any bylaws and trust agreements), the summary plan description, and other material describing the benefits that will be provided to participants and beneficiaries under the plan.

''(5) AGREEMENTS WITH SERVICE PROVIDERS.—A copy of any agreements between the plan and contract administrators and other service providers.

''(6) FUNDING REPORT.—In the case of association health plans providing benefits options in addition to health insurance coverage, a report setting forth information with respect to such additional benefit options determined as of a date within the 120-day period ending with the date of the application, including the following:

''(A) RESERVES.—A statement, certified by the board of trustees of the plan, and a statement of actuarial opinion, signed by a qualified actuary, that all applicable requirements of section 806 are or will be met in accordance with regulations which the applicable authority shall prescribe.

''(B) ADEQUACY OF CONTRIBUTION RATES.—A statement of actuarial opinion, signed by a qualified actuary, which sets forth a description of the extent to which contribution rates are adequate to provide for the payment of all obligations and the maintenance of required reserves under the plan for the 12-month period beginning with such date within such 120-day period, taking into account the expected coverage and experience of the plan. If the contribution rates are not fully adequate, the statement of actuarial opinion shall indicate the extent to which the rates are inadequate and the changes needed to ensure adequacy.

''(C) CURRENT AND PROJECTED VALUE OF ASSETS AND LIABILITIES.—A statement of actuarial opinion signed by a qualified actuary, which sets forth the current value of the assets and liabilities accumulated under the plan and a projection of the assets, liabilities, income, and expenses of the plan for the 12-month period referred to in subparagraph (B). The income statement shall identify separately the plan's administrative expenses and claims.

''(D) COSTS OF COVERAGE TO BE CHARGED AND OTHER EXPENSES.—A statement of the costs of coverage to be charged, including an itemization of amounts for administration, reserves, and other expenses associated with the operation of the plan.

''(E) OTHER INFORMATION.—Any other information as may be determined by the applicable authority, by regulation, as necessary to carry out the purposes of this part.

''(c) FILING NOTICE OF CERTIFICATION WITH STATES.—A certification granted under this part to an association health plan shall not be effective unless written notice of such certification is filed with the applicable State authority of each State in which at least 25 percent of the participants and beneficiaries under the plan are located. For purposes of this subsection, an individual shall be considered to be located in the State in which a known address of such individual is located or in which such individual is employed.

''(d) NOTICE OF MATERIAL CHANGES.—In the case of any association health plan certified under this part, descriptions of material changes in any information which was required to be submitted with the application for the certification under this part shall be filed in such form and manner as shall be prescribed by the applicable authority by regulation. The applicable authority may require by regulation prior notice of material changes with respect to specified matters which might serve as the basis for suspension or revocation of the certification.

''(e) REPORTING REQUIREMENTS FOR CERTAIN ASSOCIATION HEALTH PLANS.—An association health plan certified under this part which provides benefit options in addition to health insurance coverage for such plan year shall meet the requirements of section 103 by filing an annual report under such section which shall include information described in subsection (b)(6) with respect to the plan year and, notwithstanding section 104(a)(1)(A), shall be filed with the applicable authority not later than 90 days after the close of the plan year (or on such later date as may be prescribed by the applicable authority). The applicable authority may require by regulation such interim reports as it considers appropriate.

''(f) ENGAGEMENT OF QUALIFIED ACTUARY.—The board of trustees of each association health plan which provides benefits options in addition to health insurance coverage and which is applying for certification under this part or is certified under this part shall engage, on behalf of all participants and beneficiaries, a qualified actuary who shall be responsible for the preparation of the materials comprising information necessary to be submitted by a qualified actuary under this part. The qualified actuary shall utilize such assumptions and techniques as are necessary to enable such actuary to form an opinion as to whether the contents of the matters reported under this part—

''(1) are in the aggregate reasonably related to the experience of the plan and to reasonable expectations; and

''(2) represent such actuary's best estimate of anticipated experience under the plan.

The opinion by the qualified actuary shall be made with respect to, and shall be made a part of, the annual report.

''SEC. 808. NOTICE REQUIREMENTS FOR VOLUNTARY TERMINATION.

''Except as provided in section 809(b), an association health plan which is or has been certified under this part may terminate (upon or at any time after cessation of accruals in benefit liabilities) only if the board of trustees, not less than 60 days before the proposed termination date—

''(1) provides to the participants and beneficiaries a written notice of intent to terminate stating that such termination is intended and the proposed termination date;

''(2) develops a plan for winding up the affairs of the plan in connection with such termination in a manner which will result in timely payment of all benefits for which the plan is obligated; and

''(3) submits such plan in writing to the applicable authority.

Actions required under this section shall be taken in such form and manner as may be prescribed by the applicable authority by regulation.

''SEC. 809. CORRECTIVE ACTIONS AND MANDATORY TERMINATION.

''(a) ACTIONS TO AVOID DEPLETION OF RESERVES.—An association health plan which is certified under this part and which provides benefits other than health insurance coverage shall continue to meet the requirements of section 806, irrespective of whether such certification continues in effect. The board of trustees of such plan shall determine quarterly whether the requirements of section 806 are met. In any case in which the board determines that there is reason to believe that there is or will be a failure to meet such requirements, or the applicable authority makes such a determination and so notifies the board, the board shall immediately notify the qualified actuary engaged by the plan, and such actuary shall, not later than the end of the next following month, make such recommendations to the board for corrective action as the actuary determines necessary to ensure compliance with section 806. Not later than 30 days after receiving from the actuary recommendations for corrective actions, the board shall notify the applicable authority (in such form and manner as the applicable authority may prescribe by regulation) of such recommendations of the actuary for corrective action, together with a description of the actions (if any) that the board has taken or plans to take in response to such recommendations. The board shall thereafter report to the applicable authority, in such form and frequency as the applicable authority may specify to the board, regarding corrective action taken by the board until the requirements of section 806 are met.

''(b) MANDATORY TERMINATION.—In any case in which—

''(1) the applicable authority has been notified under subsection (a) (or by an issuer of excess/stop loss insurance or indemnity insurance pursuant to section 806(a)) of a failure of an association health plan which is or has been certified under this part and is described in section 806(a)(2) to meet the requirements of section 806 and has not been notified by the board of trustees of the plan that corrective action has restored compliance with such requirements; and

''(2) the applicable authority determines that there is a reasonable expectation that the plan will continue to fail to meet the requirements of section 806,

the board of trustees of the plan shall, at the direction of the applicable authority, terminate the plan and, in the course of the termination, take such actions as the applicable authority may require, including satisfying any claims referred to in section 806(a)(2)(B)(iii) and recovering for the plan any liability under subsection (a)(2)(B)(iii) or (e) of section 806, as necessary to ensure that the affairs of the plan will be, to the maximum extent possible, wound up in a manner which will result in timely provision of all benefits for which the plan is obligated.

''SEC. 810. TRUSTEESHIP BY THE SECRETARY OF INSOLVENT ASSOCIATION HEALTH PLANS PROVIDING HEALTH BENEFITS IN ADDITION TO HEALTH INSURANCE COVERAGE.

''(a) APPOINTMENT OF SECRETARY AS TRUSTEE FOR INSOLVENT PLANS.—Whenever the Secretary determines that an association health plan which is or has been certified under this part and which is described in section 806(a)(2) will be unable to provide benefits when due or is otherwise in a financially hazardous condition, as shall be defined by the Secretary by regulation, the Secretary shall, upon notice to the plan, apply to the appropriate United States district court for appointment of the Secretary as trustee to administer the plan for the duration of the insolvency. The plan may appear as a party and other interested persons may intervene in the proceedings at the discretion of the court. The court shall appoint such Secretary trustee if the court determines that the trusteeship is necessary to protect the interests of the participants and beneficiaries or providers of medical care or to avoid any unreasonable deterioration of the financial condition of the plan. The trusteeship of such Secretary shall continue until the conditions described in the first sentence of this subsection are remedied or the plan is terminated.

''(b) POWERS AS TRUSTEE.—The Secretary, upon appointment as trustee under subsection (a), shall have the power—

''(1) to do any act authorized by the plan, this title, or other applicable provisions of law to be done by the plan administrator or any trustee of the plan;

''(2) to require the transfer of all (or any part) of the assets and records of the plan to the Secretary as trustee;

''(3) to invest any assets of the plan which the Secretary holds in accordance with the provisions of the plan, regulations prescribed by the Secretary, and applicable provisions of law;

''(4) to require the sponsor, the plan administrator, any participating employer, and any employee organization representing plan participants to furnish any information with respect to the plan which the Secretary as

trustee may reasonably need in order to administer the plan;

''(5) to collect for the plan any amounts due the plan and to recover reasonable expenses of the trusteeship;

''(6) to commence, prosecute, or defend on behalf of the plan any suit or proceeding involving the plan;

''(7) to issue, publish, or file such notices, statements, and reports as may be required by the Secretary by regulation or required by any order of the court;

''(8) to terminate the plan (or provide for its termination in accordance with section 809(b)) and liquidate the plan assets, to restore the plan to the responsibility of the sponsor, or to continue the trusteeship;

''(9) to provide for the enrollment of plan participants and beneficiaries under appropriate coverage options; and

''(10) to do such other acts as may be necessary to comply with this title or any order of the court and to protect the interests of plan participants and beneficiaries and providers of medical care.

''(c) NOTICE OF APPOINTMENT.—As soon as practicable after the Secretary's appointment as trustee, the Secretary shall give notice of such appointment to—

''(1) the sponsor and plan administrator;

''(2) each participant;

''(3) each participating employer; and

''(4) if applicable, each employee organization which, for purposes of collective bargaining, represents plan participants.

''(d) ADDITIONAL DUTIES.—Except to the extent inconsistent with the provisions of this title, or as may be otherwise ordered by the court, the Secretary, upon appointment as trustee under this section, shall be subject to the same duties as those of a trustee under section 704 of title 11, United States Code, and shall have the duties of a fiduciary for purposes of this title.

''(e) OTHER PROCEEDINGS.—An application by the Secretary under this subsection may be filed notwithstanding the pendency in the same or any other court of any bankruptcy, mortgage foreclosure, or equity receivership proceeding, or any proceeding to reorganize, conserve, or liquidate such plan or its property, or any proceeding to enforce a lien against property of the plan.

''(f) JURISDICTION OF COURT.—

''(1) IN GENERAL.—Upon the filing of an application for the appointment as trustee or the issuance of a decree under this section, the court to which the application is made shall have exclusive jurisdiction of the plan involved and its property wherever located with the powers, to the extent consistent with the purposes of this section, of a court of the United States having jurisdiction over cases under chapter 11 of title 11, United States Code. Pending an adjudication under this section such court shall stay, and upon appointment by it of the Secretary as trustee, such court shall continue the stay of, any pending mortgage foreclosure, equity receivership, or other proceeding to reorganize, conserve, or liquidate the plan, the sponsor, or property of such plan or sponsor, and any other suit against any receiver, conservator, or trustee of the plan, the sponsor, or property of the plan or sponsor. Pending such adjudication and upon the appointment by it of the Secretary as trustee, the court may stay any proceeding to enforce a lien against property of the plan or the sponsor or any other suit against the plan or the sponsor.

''(2) VENUE.—An action under this section may be brought in the judicial district where the sponsor or the plan administrator resides or does business or where any asset of the plan is situated. A district court in which such action is brought may issue process with respect to such action in any other judicial district.

''(g) PERSONNEL.—In accordance with regulations which shall be prescribed by the Secretary, the Secretary shall appoint, retain, and compensate accountants, actuaries, and other professional service personnel as may be necessary in connection with the Secretary's service as trustee under this section.

''SEC. 811. STATE ASSESSMENT AUTHORITY.

''(a) IN GENERAL.—Notwithstanding section 514, a State may impose by law a contribution tax on an association health plan described in section 806(a)(2), if the plan commenced operations in such State after the date of the enactment of the Small Business Health Improvement Act of 2007.

''(b) CONTRIBUTION TAX.—For purposes of this section, the term 'contribution tax' imposed by a State on an association health plan means any tax imposed by such State if—

''(1) such tax is computed by applying a rate to the amount of premiums or contributions, with respect to individuals covered under the plan who are residents of such State, which are received by the plan from participating employers located in such State or from such individuals;

''(2) the rate of such tax does not exceed the rate of any tax imposed by such State on premiums or contributions received by insurers or health maintenance organizations for health insurance coverage offered in such State in connection with a group health plan;

''(3) such tax is otherwise nondiscriminatory; and

''(4) the amount of any such tax assessed on the plan is reduced by the amount of any tax or assessment otherwise imposed by the State on premiums, contributions, or both received by insurers or health maintenance organizations for health insurance coverage, aggregate excess/stop loss insurance (as defined in section 806(g)(1)), specific excess/stop loss insurance (as defined in section 806(g)(2)), other insurance related to the provision of medical care under the plan, or any combination thereof provided by such insurers or health maintenance organizations in such State in connection with such plan.

''SEC. 812. DEFINITIONS AND RULES OF CONSTRUCTION.

''(a) DEFINITIONS.—For purposes of this part—

''(1) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning provided in section 733(a)(1) (after applying subsection (b) of this section).

''(2) MEDICAL CARE.—The term 'medical care' has the meaning provided in section 733(a)(2).

''(3) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning provided in section 733(b)(1).

''(4) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning provided in section 733(b)(2).

''(5) APPLICABLE AUTHORITY.—The term 'applicable authority' means the Secretary, except that, in connection with any exercise of the Secretary's authority regarding which the Secretary is required under section 506(d) to consult with a State, such term means the Secretary, in consultation with such State.

''(6) HEALTH STATUS-RELATED FACTOR.—The term 'health status-related factor' has the meaning provided in section 733(d)(2).

''(7) INDIVIDUAL MARKET.—

''(A) IN GENERAL.—The term 'individual market' means the market for health insurance coverage offered to individuals other than in connection with a group health plan.

''(B) TREATMENT OF VERY SMALL GROUPS.—

''(i) IN GENERAL.—Subject to clause (ii), such term includes coverage offered in connection with a group health plan that has fewer than 2 participants as current employees or participants described in section 732(d)(3) on the first day of the plan year.

''(ii) STATE EXCEPTION.—Clause (i) shall not apply in the case of health insurance coverage offered in a State if such State regulates the coverage described in such clause in the same manner and to the same extent as coverage in the small group market (as defined in section 2791(e)(5) of the Public Health Service Act) is regulated by such State.

''(8) PARTICIPATING EMPLOYER.—The term 'participating employer' means, in connection with an association health plan, any employer, if any individual who is an employee of such employer, a partner in such employer, or a self-employed individual who is such employer (or any dependent, as defined under the terms of the plan, of such individual) is or was covered under such plan in connection with the status of such individual as such an employee, partner, or self-employed individual in relation to the plan.

''(9) APPLICABLE STATE AUTHORITY.—The term 'applicable State authority' means, with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of title XXVII of the Public Health Service Act for the State involved with respect to such issuer.

''(10) QUALIFIED ACTUARY.—The term 'qualified actuary' means an individual who is a member of the American Academy of Actuaries.

''(11) AFFILIATED MEMBER.—The term 'affiliated member' means, in connection with a sponsor—

''(A) a person who is otherwise eligible to be a member of the sponsor but who elects an affiliated status with the sponsor,

''(B) in the case of a sponsor with members which consist of associations, a person who is a member of any such association and elects an affiliated status with the sponsor, or

''(C) in the case of an association health plan in existence on the date of the enactment of the Small Business Health Improvement Act of 2007, a person eligible to be a member of the sponsor or one of its member associations.

''(12) LARGE EMPLOYER.—The term 'large employer' means, in connection with a group health plan with respect to a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

''(13) SMALL EMPLOYER.—The term 'small employer' means, in connection with a group health plan with respect to a plan year, an employer who is not a large employer.

''(b) RULES OF CONSTRUCTION.—

''(1) EMPLOYERS AND EMPLOYEES.—For purposes of determining whether a plan, fund, or program is an employee welfare benefit plan which is an association health plan, and for purposes of applying this title in connection with such plan, fund, or program so determined to be such an employee welfare benefit plan—

''(A) in the case of a partnership, the term 'employer' (as defined in section 3(5)) includes the partnership in relation to the partners, and the term 'employee' (as defined in section 3(6)) includes any partner in relation to the partnership; and

''(B) in the case of a self-employed individual, the term 'employer' (as defined in section 3(5)) and the term 'employee' (as defined in section 3(6)) shall include such individual.

''(2) PLANS, FUNDS, AND PROGRAMS TREATED AS EMPLOYEE WELFARE BENEFIT PLANS.—In the case of any plan, fund, or program which

was established or is maintained for the purpose of providing medical care (through the purchase of insurance or otherwise) for employees (or their dependents) covered thereunder and which demonstrates to the Secretary that all requirements for certification under this part would be met with respect to such plan, fund, or program if such plan, fund, or program were a group health plan, such plan, fund, or program shall be treated for purposes of this title as an employee welfare benefit plan on and after the date of such demonstration.''.

(b) CONFORMING AMENDMENTS TO PREEMPTION RULES.—

(1) Section 514(b)(6) of such Act (29 U.S.C. 1144(b)(6)) is amended by adding at the end the following new subparagraph:

''(E) The preceding subparagraphs of this paragraph do not apply with respect to any State law in the case of an association health plan which is certified under part 8.''.

(2) Section 514 of such Act (29 U.S.C. 1144) is amended—

(A) in subsection (b)(4), by striking ''Subsection (a)'' and inserting ''Subsections (a) and (d)'';

(B) in subsection (b)(5), by striking ''subsection (a)'' in subparagraph (A) and inserting ''subsection (a) of this section and subsections (a)(2)(B) and (b) of section 805'', and by striking ''subsection (a)'' in subparagraph (B) and inserting ''subsection (a) of this section or subsection (a)(2)(B) or (b) of section 805'';

(C) by redesignating subsection (d) as subsection (e); and

(D) by inserting after subsection (c) the following new subsection:

''(d)(1) Except as provided in subsection (b)(4), the provisions of this title shall supersede any and all State laws insofar as they may now or hereafter preclude, or have the effect of precluding, a health insurance issuer from offering health insurance coverage in connection with an association health plan which is certified under part 8.

''(2) Except as provided in paragraphs (4) and (5) of subsection (b) of this section—

''(A) In any case in which health insurance coverage of any policy type is offered under an association health plan certified under part 8 to a participating employer operating in such State, the provisions of this title shall supersede any and all laws of such State insofar as they may preclude a health insurance issuer from offering health insurance coverage of the same policy type to other employers operating in the State which are eligible for coverage under such association health plan, whether or not such other employers are participating employers in such plan.

''(B) In any case in which health insurance coverage of any policy type is offered in a State under an association health plan certified under part 8 and the filing, with the applicable State authority (as defined in section 812(a)(9)), of the policy form in connection with such policy type is approved by such State authority, the provisions of this title shall supersede any and all laws of any other State in which health insurance coverage of such type is offered, insofar as they may preclude, upon the filing in the same form and manner of such policy form with the applicable State authority in such other State, the approval of the filing in such other State.

''(3) Nothing in subsection (b)(6)(E) or the preceding provisions of this subsection shall be construed, with respect to health insurance issuers or health insurance coverage, to supersede or impair the law of any State—

''(A) providing solvency standards or similar standards regarding the adequacy of insurer capital, surplus, reserves, or contributions, or

''(B) relating to prompt payment of claims.

''(4) For additional provisions relating to association health plans, see subsections (a)(2)(B) and (b) of section 805.

''(5) For purposes of this subsection, the term 'association health plan' has the meaning provided in section 801(a), and the terms 'health insurance coverage', 'participating employer', and 'health insurance issuer' have the meanings provided such terms in section 812, respectively.''.

(3) Section 514(b)(6)(A) of such Act (29 U.S.C. 1144(b)(6)(A)) is amended—

(A) in clause (i)(II), by striking ''and'' at the end;

(B) in clause (ii), by inserting ''and which does not provide medical care (within the meaning of section 733(a)(2)),'' after ''arrangement,'', and by striking ''title.'' and inserting ''title, and''; and

(C) by adding at the end the following new clause:

''(iii) subject to subparagraph (E), in the case of any other employee welfare benefit plan which is a multiple employer welfare arrangement and which provides medical care (within the meaning of section 733(a)(2)), any law of any State which regulates insurance may apply.''.

(4) Section 514(e) of such Act (as redesignated by paragraph (2)(C)) is amended—

(A) by striking ''Nothing'' and inserting ''(1) Except as provided in paragraph (2), nothing''; and

(B) by adding at the end the following new paragraph:

''(2) Nothing in any other provision of law enacted on or after the date of the enactment of the Small Business Health Improvement Act of 2007 shall be construed to alter, amend, modify, invalidate, impair, or supersede any provision of this title, except by specific cross-reference to the affected section.''.

(c) PLAN SPONSOR.—Section 3(16)(B) of such Act (29 U.S.C. 102(16)(B)) is amended by adding at the end the following new sentence: ''Such term also includes a person serving as the sponsor of an association health plan under part 8.''.

(d) DISCLOSURE OF SOLVENCY PROTECTIONS RELATED TO SELF-INSURED AND FULLY INSURED OPTIONS UNDER ASSOCIATION HEALTH PLANS.—Section 102(b) of such Act (29 U.S.C. 102(b)) is amended by adding at the end the following: ''An association health plan shall include in its summary plan description, in connection with each benefit option, a description of the form of solvency or guarantee fund protection secured pursuant to this Act or applicable State law, if any.''.

(e) SAVINGS CLAUSE.—Section 731(c) of such Act is amended by inserting ''or part 8'' after ''this part''.

(f) REPORT TO THE CONGRESS REGARDING CERTIFICATION OF SELF-INSURED ASSOCIATION HEALTH PLANS.—Not later than January 1, 2010, the Secretary of Labor shall report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate the effect association health plans have had, if any, on reducing the number of uninsured individuals.

(g) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 734 the following new items:

''PART 8—RULES GOVERNING ASSOCIATION HEALTH PLANS

''Sec. 801. Association health plans
''Sec. 802. Certification of association health plans
''Sec. 803. Requirements relating to sponsors and boards of trustees
''Sec. 804. Participation and coverage requirements
''Sec. 805. Other requirements relating to plan documents, contribution rates, and benefit options
''Sec. 806. Maintenance of reserves and provisions for solvency for plans providing health benefits in addition to health insurance coverage
''Sec. 807. Requirements for application and related requirements
''Sec. 808. Notice requirements for voluntary termination
''Sec. 809. Corrective actions and mandatory termination
''Sec. 810. Trusteeship by the Secretary of insolvent association health plans providing health benefits in addition to health insurance coverage
''Sec. 811. State assessment authority
''Sec. 812. Definitions and rules of construction''.

SEC. __03. CLARIFICATION OF TREATMENT OF SINGLE EMPLOYER ARRANGEMENTS.

Section 3(40)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(40)(B)) is amended—

(1) in clause (i), by inserting after ''control group,'' the following: ''except that, in any case in which the benefit referred to in subparagraph (A) consists of medical care (as defined in section 812(a)(2)), two or more trades or businesses, whether or not incorporated, shall be deemed a single employer for any plan year of such plan, or any fiscal year of such other arrangement, if such trades or businesses are within the same control group during such year or at any time during the preceding 1-year period,'';

(2) in clause (iii), by striking ''(iii) the determination'' and inserting the following:

''(iii)(I) in any case in which the benefit referred to in subparagraph (A) consists of medical care (as defined in section 812(a)(2)), the determination of whether a trade or business is under 'common control' with another trade or business shall be determined under regulations of the Secretary applying principles consistent and coextensive with the principles applied in determining whether employees of two or more trades or businesses are treated as employed by a single employer under section 4001(b), except that, for purposes of this paragraph, an interest of greater than 25 percent may not be required as the minimum interest necessary for common control, or

''(II) in any other case, the determination'';

(3) by redesignating clauses (iv) and (v) as clauses (v) and (vi), respectively; and

(4) by inserting after clause (iii) the following new clause:

''(iv) in any case in which the benefit referred to in subparagraph (A) consists of medical care (as defined in section 812(a)(2)), in determining, after the application of clause (i), whether benefits are provided to employees of two or more employers, the arrangement shall be treated as having only one participating employer if, after the application of clause (i), the number of individuals who are employees and former employees of any one participating employer and who are covered under the arrangement is greater than 75 percent of the aggregate number of all individuals who are employees or former employees of participating employers and who are covered under the arrangement,''.

SEC. __04. ENFORCEMENT PROVISIONS RELATING TO ASSOCIATION HEALTH PLANS.

(a) CRIMINAL PENALTIES FOR CERTAIN WILLFUL MISREPRESENTATIONS.—Section 501 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131) is amended—

(1) by inserting ''(a)'' after ''Sec. 501.''; and

(2) by adding at the end the following new subsection:

''(b) Any person who willfully falsely represents, to any employee, any employee's beneficiary, any employer, the Secretary, or any State, a plan or other arrangement established or maintained for the purpose of offering or providing any benefit described in section 3(1) to employees or their beneficiaries as—

''(1) being an association health plan which has been certified under part 8;

''(2) having been established or maintained under or pursuant to one or more collective bargaining agreements which are reached pursuant to collective bargaining described in section 8(d) of the National Labor Relations Act (29 U.S.C. 158(d)) or paragraph Fourth of section 2 of the Railway Labor Act (45 U.S.C. 152, paragraph Fourth) or which are reached pursuant to labor-management negotiations under similar provisions of State public employee relations laws; or

''(3) being a plan or arrangement described in section 3(40)(A)(i),

shall, upon conviction, be imprisoned not more than 5 years, be fined under title 18, United States Code, or both.''.

(b) CEASE ACTIVITIES ORDERS.—Section 502 of such Act (29 U.S.C. 1132) is amended by adding at the end the following new subsection:

''(n) ASSOCIATION HEALTH PLAN CEASE AND DESIST ORDERS.—

''(1) IN GENERAL.—Subject to paragraph (2), upon application by the Secretary showing the operation, promotion, or marketing of an association health plan (or similar arrangement providing benefits consisting of medical care (as defined in section 733(a)(2))) that—

''(A) is not certified under part 8, is subject under section 514(b)(6) to the insurance laws of any State in which the plan or arrangement offers or provides benefits, and is not licensed, registered, or otherwise approved under the insurance laws of such State; or

''(B) is an association health plan certified under part 8 and is not operating in accordance with the requirements under part 8 for such certification,

a district court of the United States shall enter an order requiring that the plan or arrangement cease activities.

''(2) EXCEPTION.—Paragraph (1) shall not apply in the case of an association health plan or other arrangement if the plan or arrangement shows that—

''(A) all benefits under it referred to in paragraph (1) consist of health insurance coverage; and

''(B) with respect to each State in which the plan or arrangement offers or provides benefits, the plan or arrangement is operating in accordance with applicable State laws that are not superseded under section 514.

''(3) ADDITIONAL EQUITABLE RELIEF.—The court may grant such additional equitable relief, including any relief available under this title, as it deems necessary to protect the interests of the public and of persons having claims for benefits against the plan.''.

(c) RESPONSIBILITY FOR CLAIMS PROCEDURE.—Section 503 of such Act (29 U.S.C. 1133) is amended by inserting ''(a) IN GENERAL.—'' before ''In accordance'', and by adding at the end the following new subsection:

''(b) ASSOCIATION HEALTH PLANS.—The terms of each association health plan which is or has been certified under part 8 shall require the board of trustees or the named fiduciary (as applicable) to ensure that the requirements of this section are met in connection with claims filed under the plan.''.

SEC. ____05. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.

Section 506 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1136) is amended by adding at the end the following new subsection:

''(d) CONSULTATION WITH STATES WITH RESPECT TO ASSOCIATION HEALTH PLANS.—

''(1) AGREEMENTS WITH STATES.—The Secretary shall consult with the State recognized under paragraph (2) with respect to an association health plan regarding the exercise of—

''(A) the Secretary's authority under sections 502 and 504 to enforce the requirements for certification under part 8; and

''(B) the Secretary's authority to certify association health plans under part 8 in accordance with regulations of the Secretary applicable to certification under part 8.

''(2) RECOGNITION OF PRIMARY DOMICILE STATE.—In carrying out paragraph (1), the Secretary shall ensure that only one State will be recognized, with respect to any particular association health plan, as the State with which consultation is required. In carrying out this paragraph—

''(A) in the case of a plan which provides health insurance coverage (as defined in section 812(a)(3)), such State shall be the State with which filing and approval of a policy type offered by the plan was initially obtained, and

''(B) in any other case, the Secretary shall take into account the places of residence of the participants and beneficiaries under the plan and the State in which the trust is maintained.''.

SEC. ____06. EFFECTIVE DATE AND TRANSITIONAL AND OTHER RULES.

(a) EFFECTIVE DATE.—The amendments made by this title shall take effect one year after the date of the enactment of this Act. The Secretary of Labor shall first issue all regulations necessary to carry out the amendments made by this title within one year after the date of the enactment of this Act.

(b) TREATMENT OF CERTAIN EXISTING HEALTH BENEFITS PROGRAMS.—

(1) IN GENERAL.—In any case in which, as of the date of the enactment of this Act, an arrangement is maintained in a State for the purpose of providing benefits consisting of medical care for the employees and beneficiaries of its participating employers, at least 200 participating employers make contributions to such arrangement, such arrangement has been in existence for at least 10 years, and such arrangement is licensed under the laws of one or more States to provide such benefits to its participating employers, upon the filing with the applicable authority (as defined in section 812(a)(5) of the Employee Retirement Income Security Act of 1974 (as amended by this subtitle)) by the arrangement of an application for certification of the arrangement under part 8 of subtitle B of title I of such Act—

(A) such arrangement shall be deemed to be a group health plan for purposes of title I of such Act;

(B) the requirements of sections 801(a) and 803(a) of the Employee Retirement Income Security Act of 1974 shall be deemed met with respect to such arrangement;

(C) the requirements of section 803(b) of such Act shall be deemed met, if the arrangement is operated by a board of directors which—

(i) is elected by the participating employers, with each employer having one vote; and

(ii) has complete fiscal control over the arrangement and which is responsible for all operations of the arrangement;

(D) the requirements of section 804(a) of such Act shall be deemed met with respect to such arrangement; and

(E) the arrangement may be certified by any applicable authority with respect to its operations in any State only if it operates in such State on the date of certification.

The provisions of this subsection shall cease to apply with respect to any such arrangement at such time after the date of the enactment of this Act as the applicable requirements of this subsection are not met with respect to such arrangement.

(2) DEFINITIONS.—For purposes of this subsection, the terms ''group health plan'', ''medical care'', and ''participating employer'' shall have the meanings provided in section 812 of the Employee Retirement Income Security Act of 1974, except that the reference in paragraph (7) of such section to an ''association health plan'' shall be deemed a reference to an arrangement referred to in this subsection.

SA 115. Mr. KYL proposed an amendment to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

On page 4, line 21, strike ''April 1, 2008'' and insert ''January 1, 2009''.

On page 6, lines 5 and 6, strike ''April 1, 2008'' and insert ''January 1, 2009''.

SA 116. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the end of section 2, add the following:

(c) STATE FLEXIBILITY.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end the following:

''(h) STATE FLEXIBILITY.—Notwithstanding any other provision of this section, an employer shall not be required to pay an employee a wage that is greater than the minimum wage provided for by the law of the State in which the employee is employed and not less than the minimum wage in effect in that State on January 1, 2007.''.

SA 117. Mr. CHAMBLISS (for himself, Mr. BURR, and Mr. ISAKSON) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place, add the following new section:

SEC. ____. WAGES FOR AGRICULTURAL WORKERS.

Section (6)(a)(5) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(5)) is amended to read as follows:

''(5) if such employee is employed to provide agriculture labor or services—

''(A) not less than the minimum wage rate in effect under paragraph (1) after December 31, 1977; or

''(B) pursuant to the provisions of section 218 of the Immigration and Nationality Act (8 U.S.C. 1188), not less than the greater of—

''(i) the minimum wage rate in effect under paragraph (1) after December 31, 1977; or

''(ii) the prevailing wage established by the Occupational Employment Statistics program, or other wage survey, conducted by the Bureau of Labor Statistics in the county of intended employment, for entry level workers who are employed in agriculture in the area of the work to be performed.''.

SA 118. Mr. CHAMBLISS (for himself, Mr. ISAKSON, and Mr. BURR) submitted an amendment intended to be proposed

by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following new section:

SEC. ___. WAGES FOR AGRICULTURAL WORKERS.

Section (6)(a)(5) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(5)) is amended to read as follows:

''(5) if such employee is employed in agriculture, or is employed to provide agriculture labor or services pursuant to section 218 of the Immigration and Nationality Act (8 U.S.C. 1188), not less than the greater of—

''(A) the minimum wage rate in effect under paragraph (1) after December 31, 1977; or

''(B) the prevailing wage established by the Occupational Employment Statistics program, or other wage survey, conducted by the Bureau of Labor Statistics in the county of intended employment, for entry level workers who are employed in agriculture in the area of work to be performed.''.

SA 119. Mr. BUNNING submitted an amendment intended to be proposed by him to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place insert the following:

SEC. ___. REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.

(a) RESTORATION OF PRIOR LAW FORMULA.—Subsection (a) of section 86 (relating to social security and tier 1 railroad retirement benefits) is amended to read as follows:

''(a) IN GENERAL.—Gross income for the taxable year of any taxpayer described in subsection (b) (notwithstanding section 207 of the Social Security Act) includes social security benefits in an amount equal to the lesser of—

''(1) one-half of the social security benefits received during the taxable year, or

''(2) one-half of the excess described in subsection (b)(1).''.

(b) REPEAL OF ADJUSTED BASE AMOUNT.—Subsection (c) of section 86 is amended to read as follows:

''(c) BASE AMOUNT.—For purposes of this section, the term 'base amount' means—

''(1) except as otherwise provided in this subsection, $25,000,

''(2) $32,000 in the case of a joint return, and

''(3) zero in the case of a taxpayer who—

''(A) is married as of the close of the taxable year (within the meaning of section 7703) but does not file a joint return for such year, and

''(B) does not live apart from his spouse at all times during the taxable year.''.

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 871(a)(3) is amended by striking ''85 percent'' and inserting ''50 percent''.

(2)(A) Subparagraph (A) of section 121(e)(1) of the Social Security Amendments of 1983 (Public Law 98–21) is amended—

(i) by striking ''(A) There'' and inserting ''There'';

(ii) by striking ''(i)'' immediately following ''amounts equivalent to''; and

(iii) by striking '', less (ii)'' and all that follows and inserting a period.

(B) Paragraph (1) of section 121(e) of such Act is amended by striking subparagraph (B).

(C) Paragraph (3) of section 121(e) of such Act is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(D) Paragraph (2) of section 121(e) of such Act is amended in the first sentence by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)''.

(d) EFFECTIVE DATES.—

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

(2) SUBSECTION (c)(1).—The amendment made by subsection (c)(1) shall apply to benefits paid after December 31, 2007.

(3) SUBSECTION (c)(2).—The amendments made by subsection (c)(2) shall apply to tax liabilities for taxable years beginning after December 31, 2007.

SEC. ___. MAINTENANCE OF TRANSFERS TO HOSPITAL INSURANCE TRUST FUND.

There are hereby appropriated to the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395i) amounts equal to the reduction in revenues to the Treasury by reason of the enactment of this Act. Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had this Act not been enacted.

SA 120. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 201. EXTENSION AND MODIFICATIONS OF INCREASED EXPENSING FOR SMALL BUSINESSES.

(a) EXTENSION.—Section 179 (relating to election to expense certain depreciable business assets) is amended by striking ''2010'' each place it appears and inserting ''2011''.

(b) INCREASE IN LIMIT AND PHASEOUT THRESHOLD FOR EXPENSING FOR SMALL BUSINESS.—

(1) IN GENERAL.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 (relating to dollar limitation), as amended by subsection (a), is amended by striking ''$25,000 ($100,000 in the case of taxable years beginning after 2002 and before 2011)'' and inserting ''$25,000 ($150,000 in the case of taxable years beginning after 2007 and before 2011)''.

(2) INCREASE IN QUALIFYING INVESTMENT AT WHICH PHASEOUT BEGINS.—Paragraph (2) of section 179(b) of such Code (relating to reduction in limitation), as amended by subsection (a), is amended by striking ''$200,000 ($400,000 in the case of taxable years beginning after 2002 and before 2011)'' and inserting ''$200,000 ($600,000 in the case of taxable years beginning after 2007 and before 2011)''.

(3) INFLATION ADJUSTMENTS.—Section 179(b)(5)(A) of such Code (relating to inflation adjustments), as amended by subsection (a), is amended—

(A) in the matter preceding clause (i)—

(i) by striking ''after 2003 and before 2011'' and inserting ''after 2008 and before 2011'', and

(ii) by striking ''the $100,000 and $400,000 amounts'' and inserting ''the $150,000 and $600,000 amounts'', and

(B) in clause (ii), by striking ''calendar year 2002'' and inserting ''calendar year 2007''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2007.

SA 121. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. 201. EXTENSION AND MODIFICATIONS OF INCREASED EXPENSING FOR SMALL BUSINESSES.

(a) EXTENSION.—Section 179 (relating to election to expense certain depreciable business assets) is amended by striking ''2010'' each place it appears and inserting ''2011''.

(b) INCREASE IN LIMIT AND PHASEOUT THRESHOLD FOR EXPENSING FOR SMALL BUSINESS.—

(1) IN GENERAL.—Paragraph (1) of section 179(b) of the Internal Revenue Code of 1986 (relating to dollar limitation), as amended by subsection (a), is amended by striking ''$25,000 ($100,000 in the case of taxable years beginning after 2002 and before 2011)'' and inserting ''$25,000 ($150,000 in the case of taxable years beginning after 2007 and before 2011)''.

(2) INCREASE IN QUALIFYING INVESTMENT AT WHICH PHASEOUT BEGINS.—Paragraph (2) of section 179(b) of such Code (relating to reduction in limitation), as amended by subsection (a), is amended by striking ''$200,000 ($400,000 in the case of taxable years beginning after 2002 and before 2011)'' and inserting ''$200,000 ($600,000 in the case of taxable years beginning after 2007 and before 2011)''.

(3) INFLATION ADJUSTMENTS.—Section 179(b)(5)(A) of such Code (relating to inflation adjustments), as amended by subsection (a), is amended—

(A) in the matter preceding clause (i)—

(i) by striking ''after 2003 and before 2011'' and inserting ''after 2008 and before 2011'', and

(ii) by striking ''the $100,000 and $400,000 amounts'' and inserting ''the $150,000 and $600,000 amounts'', and

(B) in clause (ii), by striking ''calendar year 2002'' and inserting ''calendar year 2007''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2007.

SA 122. Ms. SNOWE (for herself and Mrs. LINCOLN) submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. QUALIFIED SMALL BUSINESSES ELECTION OF TAXABLE YEAR ENDING IN A MONTH FROM APRIL TO NOVEMBER.

(a) IN GENERAL.—Part I of subchapter E of chapter 1 (relating to accounting periods) is amended by inserting after section 444 the following new section:

''SEC. 444A. QUALIFIED SMALL BUSINESSES ELECTION OF TAXABLE YEAR ENDING IN A MONTH FROM APRIL TO NOVEMBER.

''(a) GENERAL RULE.—A qualified small business may elect to have a taxable year, other than the required taxable year, which ends on the last day of any of the months of

April through November (or at the end of an equivalent annual period (varying from 52 to 53 weeks)).

''(b) YEARS FOR WHICH ELECTION EFFECTIVE.—An election under subsection (a)—

''(1) shall be made not later than the due date (including extensions thereof) for filing the return of tax for the first taxable year of the qualified small business, and

''(2) shall be effective for such first taxable year or period and for all succeeding taxable years of such qualified small business until such election is terminated under subsection (c).

''(c) TERMINATION.—

''(1) IN GENERAL.—An election under subsection (a) shall be terminated on the earliest of—

''(A) the first day of the taxable year following the taxable year for which the entity fails to meet the gross receipts test,

''(B) the date on which the entity fails to qualify as an S corporation, or

''(C) the date on which the entity terminates.

''(2) GROSS RECEIPTS TEST.—For purposes of paragraph (1), an entity fails to meet the gross receipts test if the entity fails to meet the gross receipts test of section 448(c).

''(3) EFFECT OF TERMINATION.—An entity with respect to which an election is terminated under this subsection shall determine its taxable year for subsequent taxable years under any other method that would be permitted under subtitle A.

''(4) INCOME INCLUSION AND DEDUCTION RULES FOR PERIOD AFTER TERMINATION.—If the termination of an election under paragraph (1) results in a short taxable year—

''(A) items relating to net profits for the period beginning on the day after its last fiscal year-end and ending on the day before the beginning of the taxable year determined under paragraph (3) shall be includible in income ratably over the 4 taxable years following the year of termination, or (if fewer) the number of taxable years equal to the fiscal years for which the election under this section was in effect, and

''(B) items relating to net losses for such period shall be deductible in the first taxable year after the taxable year with respect to which the election terminated.

''(d) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED SMALL BUSINESS.—The term 'qualified small business' means an entity—

''(A)(i) for which an election under section 1362(a) is in effect for the first taxable year or period of such entity and for all subsequent years, or

''(ii) which is treated as a partnership for the first taxable year or period of such entity for Federal income tax purposes,

''(B) which conducts an active trade or business or which would qualify for an election to amortize start-up expenditures under section 195, and

''(C) which is a start-up business.

''(2) START-UP BUSINESS.—For purposes of paragraph (1)(C), an entity shall be treated as a start-up business so long as not more than 75 percent of the entity is owned by any person or persons who previously conducted a similar trade or business at any time within the 1-year period ending on the date on which such entity is formed. For purposes of the preceding sentence, a person and any other person bearing a relationship to such person specified in section 267(b) or 707(b)(1) shall be treated as one person, and sections 267(b) and 707(b)(1) shall be applied as if section 267(c)(4) provided that the family of an individual consists of the individual's spouse and the individual's children under the age of 21.

''(3) REQUIRED TAXABLE YEAR.—The term 'required taxable year' has the meaning given to such term by section 444(e).

''(e) TIERED STRUCTURES.—The Secretary shall prescribe rules similar to the rules of section 444(d)(3) to eliminate abuse of this section through the use of tiered structures.''.

(b) CONFORMING AMENDMENT.—Section 444(a)(1) is amended by striking ''section'' and inserting ''section and section 444A''.

(c) CLERICAL AMENDMENT.—The table of sections for part I of subchapter E of chapter 1 is amended by inserting after the item relating to section 444 the following new item:

''Sec. 444A. Qualified small businesses election of taxable year ending in a month from April to November.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SA 123. Ms. SNOWE (for herself and Mrs. LINCOLN) submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. QUALIFIED SMALL BUSINESSES ELECTION OF TAXABLE YEAR ENDING IN A MONTH FROM APRIL TO NOVEMBER.

(a) IN GENERAL.—Part I of subchapter E of chapter 1 (relating to accounting periods) is amended by inserting after section 444 the following new section:

''SEC. 444A. QUALIFIED SMALL BUSINESSES ELECTION OF TAXABLE YEAR ENDING IN A MONTH FROM APRIL TO NOVEMBER.

''(a) GENERAL RULE.—A qualified small business may elect to have a taxable year, other than the required taxable year, which ends on the last day of any of the months of April through November (or at the end of an equivalent annual period (varying from 52 to 53 weeks)).

''(b) YEARS FOR WHICH ELECTION EFFECTIVE.—An election under subsection (a)—

''(1) shall be made not later than the due date (including extensions thereof) for filing the return of tax for the first taxable year of the qualified small business, and

''(2) shall be effective for such first taxable year or period and for all succeeding taxable years of such qualified small business until such election is terminated under subsection (c).

''(c) TERMINATION.—

''(1) IN GENERAL.—An election under subsection (a) shall be terminated on the earliest of—

''(A) the first day of the taxable year following the taxable year for which the entity fails to meet the gross receipts test,

''(B) the date on which the entity fails to qualify as an S corporation, or

''(C) the date on which the entity terminates.

''(2) GROSS RECEIPTS TEST.—For purposes of paragraph (1), an entity fails to meet the gross receipts test if the entity fails to meet the gross receipts test of section 448(c).

''(3) EFFECT OF TERMINATION.—An entity with respect to which an election is terminated under this subsection shall determine its taxable year for subsequent taxable years under any other method that would be permitted under subtitle A.

''(4) INCOME INCLUSION AND DEDUCTION RULES FOR PERIOD AFTER TERMINATION.—If the termination of an election under paragraph (1) results in a short taxable year—

''(A) items relating to net profits for the period beginning on the day after its last fiscal year-end and ending on the day before the beginning of the taxable year determined under paragraph (3) shall be includible in income ratably over the 4 taxable years following the year of termination, or (if fewer) the number of taxable years equal to the fiscal years for which the election under this section was in effect, and

''(B) items relating to net losses for such period shall be deductible in the first taxable year after the taxable year with respect to which the election terminated.

''(d) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED SMALL BUSINESS.—The term 'qualified small business' means an entity—

''(A)(i) for which an election under section 1362(a) is in effect for the first taxable year or period of such entity and for all subsequent years, or

''(ii) which is treated as a partnership for the first taxable year or period of such entity for Federal income tax purposes,

''(B) which conducts an active trade or business or which would qualify for an election to amortize start-up expenditures under section 195, and

''(C) which is a start-up business.

''(2) START-UP BUSINESS.—For purposes of paragraph (1)(C), an entity shall be treated as a start-up business so long as not more than 75 percent of the entity is owned by any person or persons who previously conducted a similar trade or business at any time within the 1-year period ending on the date on which such entity is formed. For purposes of the preceding sentence, a person and any other person bearing a relationship to such person specified in section 267(b) or 707(b)(1) shall be treated as one person, and sections 267(b) and 707(b)(1) shall be applied as if section 267(c)(4) provided that the family of an individual consists of the individual's spouse and the individual's children under the age of 21.

''(3) REQUIRED TAXABLE YEAR.—The term 'required taxable year' has the meaning given to such term by section 444(e).

''(e) TIERED STRUCTURES.—The Secretary shall prescribe rules similar to the rules of section 444(d)(3) to eliminate abuse of this section through the use of tiered structures.''.

(b) CONFORMING AMENDMENT.—Section 444(a)(1) is amended by striking ''section'' and inserting ''section and section 444A''.

(c) CLERICAL AMENDMENT.—The table of sections for part I of subchapter E of chapter 1 is amended by inserting after the item relating to section 444 the following new item:

''Sec. 444A. Qualified small businesses election of taxable year ending in a month from April to November.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SA 124. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ESTABLISHMENT OF SIMPLE CAFETERIA PLANS FOR SMALL BUSINESSES.

(a) IN GENERAL.—Section 125 (relating to cafeteria plans) is amended by redesignating

subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

''(h) SIMPLE CAFETERIA PLANS FOR SMALL BUSINESSES.—

''(1) IN GENERAL.—An eligible employer maintaining a simple cafeteria plan with respect to which the requirements of this subsection are met for any year shall be treated as meeting any applicable nondiscrimination requirement with respect to benefits provided under the plan during such year.

''(2) SIMPLE CAFETERIA PLAN.—For purposes of this subsection, the term 'simple cafeteria plan' means a cafeteria plan—

''(A) which is established and maintained by an eligible employer, and

''(B) with respect to which the contribution requirements of paragraph (3), and the eligibility and participation requirements of paragraph (4), are met.

''(3) CONTRIBUTIONS REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this paragraph are met if, under the plan—

''(i) the employer makes matching contributions on behalf of each employee who is eligible to participate in the plan and who is not a highly compensated or key employee in an amount equal to the elective plan contributions of the employee to the plan to the extent the employee's elective plan contributions do not exceed 3 percent of the employee's compensation, or

''(ii) the employer is required, without regard to whether an employee makes any elective plan contribution, to make a contribution to the plan on behalf of each employee who is not a highly compensated or key employee and who is eligible to participate in the plan in an amount equal to at least 2 percent of the employee's compensation.

''(B) MATCHING CONTRIBUTIONS ON BEHALF OF HIGHLY COMPENSATED AND KEY EMPLOYEES.—The requirements of subparagraph (A)(i) shall not be treated as met if, under the plan, the rate of matching contribution with respect to any elective plan contribution of a highly compensated or key employee at any rate of contribution is greater than that with respect to an employee who is not a highly compensated or key employee.

''(C) SPECIAL RULES.—

''(i) TIME FOR MAKING CONTRIBUTIONS.—An employer shall not be treated as failing to meet the requirements of this paragraph with respect to any elective plan contributions of any compensation, or employer contributions required under this paragraph with respect to any compensation, if such contributions are made no later than the 15th day of the month following the last day of the calendar quarter which includes the date of payment of the compensation.

''(ii) FORM OF CONTRIBUTIONS.—Employer contributions required under this paragraph may be made either to the plan to provide benefits offered under the plan or to any person as payment for providing benefits offered under the plan.

''(iii) ADDITIONAL CONTRIBUTIONS.—Subject to subparagraph (B), nothing in this paragraph shall be treated as prohibiting an employer from making contributions to the plan in addition to contributions required under subparagraph (A).

''(D) DEFINITIONS.—For purposes of this paragraph—

''(i) ELECTIVE PLAN CONTRIBUTION.—The term 'elective plan contribution' means any amount which is contributed at the election of the employee and which is not includible in gross income by reason of this section.

''(ii) HIGHLY COMPENSATED EMPLOYEE.—The term 'highly compensated employee' has the meaning given such term by section 414(q).

''(iii) KEY EMPLOYEE.—The term 'key employee' has the meaning given such term by section 416(i).

''(4) MINIMUM ELIGIBILITY AND PARTICIPATION REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this paragraph shall be treated as met with respect to any year if, under the plan—

''(i) all employees who had at least 1,000 hours of service for the preceding plan year are eligible to participate, and

''(ii) each employee eligible to participate in the plan may, subject to terms and conditions applicable to all participants, elect any benefit available under the plan.

''(B) CERTAIN EMPLOYEES MAY BE EXCLUDED.—For purposes of subparagraph (A)(i), an employer may elect to exclude under the plan employees—

''(i) who have less than 1 year of service with the employer as of any day during the plan year,

''(ii) who have not attained the age of 21 before the close of a plan year,

''(iii) who are covered under an agreement which the Secretary of Labor finds to be a collective bargaining agreement if there is evidence that the benefits covered under the cafeteria plan were the subject of good faith bargaining between employee representatives and the employer, or

''(iv) who are described in section 410(b)(3)(C) (relating to nonresident aliens working outside the United States).

A plan may provide a shorter period of service or younger age for purposes of clause (i) or (ii).

''(5) ELIGIBLE EMPLOYER.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'eligible employer' means, with respect to any year, any employer if such employer employed an average of 100 or fewer employees on business days during either of the 2 preceding years. For purposes of this subparagraph, a year may only be taken into account if the employer was in existence throughout the year.

''(B) EMPLOYERS NOT IN EXISTENCE DURING PRECEDING YEAR.—If an employer was not in existence throughout the preceding year, the determination under subparagraph (A) shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current year.

''(C) GROWING EMPLOYERS RETAIN TREATMENT AS SMALL EMPLOYER.—If—

''(i) an employer was an eligible employer for any year (a 'qualified year'), and

''(ii) such employer establishes a simple cafeteria plan for its employees for such year,

then, notwithstanding the fact the employer fails to meet the requirements of subparagraph (A) for any subsequent year, such employer shall be treated as an eligible employer for such subsequent year with respect to employees (whether or not employees during a qualified year) of any trade or business which was covered by the plan during any qualified year. This subparagraph shall cease to apply if the employer employs an average of 200 more employees on business days during any year preceding any such subsequent year.

''(D) SPECIAL RULES.—The rules of section 220(c)(4)(D) shall apply for purposes of this paragraph.

''(6) APPLICABLE NONDISCRIMINATION REQUIREMENT.—For purposes of this subsection, the term 'applicable nondiscrimination requirement' means any requirement under subsection (b) of this section, section 79(d), section 105(h), or paragraph (2), (3), (4), or (8) of section 129(d).

''(7) COMPENSATION.—The term 'compensation' has the meaning given such term by section 414(s).''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2006.

SA 125. Ms. SNOWE submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ESTABLISHMENT OF SIMPLE CAFETERIA PLANS FOR SMALL BUSINESSES.

(a) IN GENERAL.—Section 125 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following new subsection:

''(h) SIMPLE CAFETERIA PLANS FOR SMALL BUSINESSES.—

''(1) IN GENERAL.—An eligible employer maintaining a simple cafeteria plan with respect to which the requirements of this subsection are met for any year shall be treated as meeting any applicable nondiscrimination requirement with respect to benefits provided under the plan during such year.

''(2) SIMPLE CAFETERIA PLAN.—For purposes of this subsection, the term 'simple cafeteria plan' means a cafeteria plan—

''(A) which is established and maintained by an eligible employer, and

''(B) with respect to which the contribution requirements of paragraph (3), and the eligibility and participation requirements of paragraph (4), are met.

''(3) CONTRIBUTIONS REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this paragraph are met if, under the plan—

''(i) the employer makes matching contributions on behalf of each employee who is eligible to participate in the plan and who is not a highly compensated or key employee in an amount equal to the elective plan contributions of the employee to the plan to the extent the employee's elective plan contributions do not exceed 3 percent of the employee's compensation, or

''(ii) the employer is required, without regard to whether an employee makes any elective plan contribution, to make a contribution to the plan on behalf of each employee who is not a highly compensated or key employee and who is eligible to participate in the plan in an amount equal to at least 2 percent of the employee's compensation.

''(B) MATCHING CONTRIBUTIONS ON BEHALF OF HIGHLY COMPENSATED AND KEY EMPLOYEES.—The requirements of subparagraph (A)(i) shall not be treated as met if, under the plan, the rate of matching contribution with respect to any elective plan contribution of a highly compensated or key employee at any rate of contribution is greater than that with respect to an employee who is not a highly compensated or key employee.

''(C) SPECIAL RULES.—

''(i) TIME FOR MAKING CONTRIBUTIONS.—An employer shall not be treated as failing to meet the requirements of this paragraph with respect to any elective plan contributions of any compensation, or employer contributions required under this paragraph with respect to any compensation, if such contributions are made no later than the 15th day of the month following the last day of the calendar quarter which includes the date of payment of the compensation.

''(ii) FORM OF CONTRIBUTIONS.—Employer contributions required under this paragraph

may be made either to the plan to provide benefits offered under the plan or to any person as payment for providing benefits offered under the plan.

''(iii) ADDITIONAL CONTRIBUTIONS.—Subject to subparagraph (B), nothing in this paragraph shall be treated as prohibiting an employer from making contributions to the plan in addition to contributions required under subparagraph (A).

''(D) DEFINITIONS.—For purposes of this paragraph—

''(i) ELECTIVE PLAN CONTRIBUTION.—The term 'elective plan contribution' means any amount which is contributed at the election of the employee and which is not includible in gross income by reason of this section.

''(ii) HIGHLY COMPENSATED EMPLOYEE.—The term 'highly compensated employee' has the meaning given such term by section 414(q).

''(iii) KEY EMPLOYEE.—The term 'key employee' has the meaning given such term by section 416(i).

''(4) MINIMUM ELIGIBILITY AND PARTICIPATION REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this paragraph shall be treated as met with respect to any year if, under the plan—

''(i) all employees who had at least 1,000 hours of service for the preceding plan year are eligible to participate, and

''(ii) each employee eligible to participate in the plan may, subject to terms and conditions applicable to all participants, elect any benefit available under the plan.

''(B) CERTAIN EMPLOYEES MAY BE EXCLUDED.—For purposes of subparagraph (A)(i), an employer may elect to exclude under the plan employees—

''(i) who have less than 1 year of service with the employer as of any day during the plan year,

''(ii) who have not attained the age of 21 before the close of a plan year,

''(iii) who are covered under an agreement which the Secretary of Labor finds to be a collective bargaining agreement if there is evidence that the benefits covered under the cafeteria plan were the subject of good faith bargaining between employee representatives and the employer, or

''(iv) who are described in section 410(b)(3)(C) (relating to nonresident aliens working outside the United States).

A plan may provide a shorter period of service or younger age for purposes of clause (i) or (ii).

''(5) ELIGIBLE EMPLOYER.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'eligible employer' means, with respect to any year, any employer if such employer employed an average of 100 or fewer employees on business days during either of the 2 preceding years. For purposes of this subparagraph, a year may only be taken into account if the employer was in existence throughout the year.

''(B) EMPLOYERS NOT IN EXISTENCE DURING PRECEDING YEAR.—If an employer was not in existence throughout the preceding year, the determination under subparagraph (A) shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current year.

''(C) GROWING EMPLOYERS RETAIN TREATMENT AS SMALL EMPLOYER.—If—

''(i) an employer was an eligible employer for any year (a 'qualified year'), and

''(ii) such employer establishes a simple cafeteria plan for its employees for such year,

then, notwithstanding the fact the employer fails to meet the requirements of subparagraph (A) for any subsequent year, such employer shall be treated as an eligible employer for such subsequent year with respect to employees (whether or not employees during a qualified year) of any trade or business which was covered by the plan during any qualified year. This subparagraph shall cease to apply if the employer employs an average of 200 more employees on business days during any year preceding any such subsequent year.

''(D) SPECIAL RULES.—The rules of section 220(c)(4)(D) shall apply for purposes of this paragraph.

''(6) APPLICABLE NONDISCRIMINATION REQUIREMENT.—For purposes of this subsection, the term 'applicable nondiscrimination requirement' means any requirement under subsection (b) of this section, section 79(d), section 105(h), or paragraph (2), (3), (4), or (8) of section 129(d).

''(7) COMPENSATION.—The term 'compensation' has the meaning given such term by section 414(s).''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2006.

SA 126. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. HEALTH PROFESSIONS TRAINING DEMONSTRATION PROJECT.

Section 171 of the Workforce Investment Act of 1998 (29 U.S.C. 2916) is amended by adding at the end the following:

''(e) HEALTH PROFESSIONS TRAINING DEMONSTRATION PROJECT.—

''(1) DEFINITIONS.—In this subsection:

''(A) COVERED COMMUNITY.—The term 'covered community' means a community or region that—

''(i) has experienced a significant percentage decline in positions in the manufacturing or service sectors; and

''(ii)(I) is eligible for designation under section 332 of the Public Health Service Act (42 U.S.C. 254e) as a health professional shortage area;

''(II) is eligible to be served by a health center under section 330 or a grantee under section 330(h) (relating to homeless individuals) of the Public Health Service Act (42 U.S.C. 254b, 254b(h));

''(III) has a shortage of personal health services, as determined under criteria issued by the Secretary of Health and Human Services under section 1861(aa)(2) of the Social Security Act (relating to rural health clinics) (42 U.S.C. 1395x(aa)(2)); or

''(IV) is designated by a Governor (in consultation with the medical community) as a shortage area or medically underserved community.

''(B) COVERED WORKER.—The term 'covered worker' means an individual who—

''(i)(I) has been terminated or laid off, or who has received a notice of termination or layoff, from employment in a manufacturing or service sector;

''(II)(aa) is eligible for or has exhausted entitlement to unemployment compensation; or

''(bb) has been employed for a duration sufficient to demonstrate, to the appropriate entity at a one-stop center referred to in section 134(c), attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and

''(III) is unlikely to return to a previous industry or occupation; or

''(ii)(I) has been terminated or laid off, or has received a notice of termination or layoff, from employment in a manufacturing or service sector as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise; or

''(II) is employed in a manufacturing or service sector at a facility at which the employer has made a general announcement that such facility will close within 180 days.

''(C) HEALTH CARE PROFESSIONAL.—The term 'health care professional'—

''(i) means an individual who is involved with—

''(I) the delivery of health care services, or related services, pertaining to—

''(aa) the identification, evaluation, and prevention of diseases, disorders, or injuries; or

''(bb) home-based or community-based long-term care;

''(II) the delivery of dietary and nutrition services; or

''(III) rehabilitation and health systems management; and

''(ii) includes nurses, home health aides, nursing assistants, physician assistants, dental hygienists, diagnostic medical sonographers, dietitians, medical technologists, occupational therapists, physical therapists, radiographers, respiratory therapists, emergency medical service technicians, speech-language pathologists, and specific occupational needs of the community served by the eligible entities as defined in section (e)(4) of this Act.

''(2) ESTABLISHMENT OF PROJECT.—In accordance with subsection (b), the Secretary shall establish and carry out a health professions training demonstration project.

''(3) GRANTS.—In carrying out the project, the Secretary, after consultation with the Secretary of Health and Human Services, shall make grants to eligible entities to enable the entities to carry out programs in covered communities to train covered workers for employment as health care professionals. The Secretary shall make each grant in an amount of not less than $100,000 and not more than $500,000.

''(4) ELIGIBLE ENTITIES.—Notwithstanding subsection (b)(2)(B), to be eligible to receive a grant under this subsection to carry out a program in a covered community, an entity shall be a partnership that is—

''(A) under the direction of a local workforce investment board established under section 117 that is serving the covered community; and

''(B) composed of members serving the covered community, such as—

''(i) a 4-year institution of higher education;

''(ii) an accredited community college;

''(iii) an accredited vocational or technical school;

''(iv) a health clinic or hospital;

''(v) a home-based or community-based long-term care facility or program; or

''(vi) a health care facility administered by the Secretary of Veterans Affairs.

''(5) APPLICATIONS.—To be eligible to receive a grant under this subsection, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including, at a minimum—

''(A) a proposal to use the grant funds to establish or expand a training program in order to train covered workers for employment as health care professionals or paraprofessionals;

''(B) information demonstrating the need for the training and support services to be provided through the program;

''(C) information describing the manner in which the entity will expend the grant funds,

and the activities to be carried out with the funds;

''(D) information demonstrating that the entity meets the requirements of paragraph (4); and

''(E) with respect to training programs carried out by the applicant, information—

''(i) on the graduation rates of the programs involved;

''(ii) on the retention measures carried out by the applicant;

''(iii) on the length of time necessary to complete the training programs of the applicant; and

''(iv) on the number of qualified trainees that are refused admittance into the training programs because of lack of capacity.

''(6) SELECTION.—In making grants under paragraph (3), the Secretary, after consultation with the Secretary of Health and Human Services, shall—

''(A) consider the date submitted by the applicant under paragraph (5)(E); and

''(B) select—

''(i) eligible entities submitting applications that meet such criteria as the Secretary of Labor determines to be appropriate; and

''(ii) among such entities, the eligible entities serving the covered communities with the greatest need for the grants and the greatest potential to benefit from the grants.

''(7) USE OF FUNDS.—

''(A) IN GENERAL.—An entity that receives a grant under this subsection shall use the funds made available through the grant for training and support services that meet the needs described in the application submitted under paragraph (5), which may include—

''(i) increasing capacity, subject to subparagraph (B)(i), at an educational institution or training center to train individuals for employment as health professionals, such as by—

''(I) expanding a facility, subject to subparagraph (B)(ii);

''(II) expanding course offerings;

''(III) hiring faculty;

''(IV) providing a student loan repayment program for the faculty;

''(V) establishing or expanding clinical education opportunities;

''(VI) purchasing equipment, such as computers, books, clinical supplies, or a patient simulator; or

''(VII) conducting recruitment; or

''(ii) providing support services for covered workers participating in the training, such as—

''(I) providing tuition assistance;

''(II) establishing or expanding distance education programs;

''(III) providing transportation assistance; or

''(IV) providing child care.

''(B) LIMITATION.—To be eligible to use the funds to expand a facility, the eligible entity shall demonstrate to the Secretary in an application submitted under paragraph (5) that the entity can increase the capacity described in subparagraph (E)(iv) of such facility only by expanding the facility.

''(8) FUNDING.—Of the amounts appropriated to, and available at the discretion of, the Secretary or the Secretary of Health and Human Services for programmatic and administrative expenditures, a total of $25,000,000 shall be used to establish and carry out the demonstration project described in paragraph (2) in accordance with this subsection.''.

SA 127. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. 4. ANNUAL REPORT ON ACQUISITIONS OF ARTICLES, MATERIALS, AND SUPPLIES MANUFACTURED OUTSIDE THE UNITED STATES.

Section 2 of the Buy American Act (41 U.S.C. 10a) is amended—

(1) by striking ''Notwithstanding'' and inserting the following:

''(a) IN GENERAL.—Notwithstanding''; and

(2) by adding at the end the following:

''(b) REPORTS.—

''(1) IN GENERAL.—Not later than 180 days after the end of each fiscal year, the head of each Federal agency shall submit a report to Congress on the amount of the acquisitions made by the agency of articles, materials, or supplies purchased from entities that manufacture the articles, materials, or supplies outside of the United States in that fiscal year.

''(2) CONTENTS OF REPORT.—The report required by paragraph (1) shall separately include—

''(A) the dollar value of any articles, materials, or supplies that were manufactured outside the United States;

''(B) an itemized list of all waivers granted with respect to such articles, materials, or supplies under this Act, and a citation to the treaty, international agreement, or other law under which each waiver was granted;

''(C) if any articles, materials, or supplies were acquired from entities that manufacture articles, materials, or supplies outside the United States, the specific exception under this section that was used to purchase such articles, materials, or supplies; and

''(D) a summary of—

''(i) the total procurement funds expended on articles, materials, and supplies manufactured inside the United States; and

''(ii) the total procurement funds expended on articles, materials, and supplies manufactured outside the United States.

''(3) PUBLIC AVAILABILITY.—The head of each Federal agency submitting a report under paragraph (1) shall make the report publicly available to the maximum extent practicable.

''(4) EXCEPTION FOR INTELLIGENCE COMMUNITY.—This subsection shall not apply to acquisitions made by an agency, or component thereof, that is an element of the intelligence community as specified in, or designated under, section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4)).''.

SA 128. Mr. KERRY (for himself and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. SMALL BUSINESS REGULATORY ASSISTANCE.

(a) PURPOSE.—The purpose of this section is to establish a 4-year pilot program to—

(1) provide confidential assistance to small business concerns;

(2) provide small business concerns with the information necessary to improve their rate of compliance with Federal and State regulations derived from Federal law;

(3) create a partnership among Federal agencies to increase outreach efforts to small business concerns with respect to regulatory compliance;

(4) provide a mechanism for unbiased feedback to Federal agencies on the regulatory environment for small business concerns; and

(5) expand the services delivered by the Small Business Development Centers under section 21(c)(3)(H) of the Small Business Act to improve access to programs to assist small business concerns with regulatory compliance.

(b) DEFINITIONS.—In this section, the following definitions shall apply:

(1) ADMINISTRATION.—The term ''Administration'' means the Small Business Administration.

(2) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Administration, acting through the Associate Administrator for Small Business Development Centers.

(3) ASSOCIATION.—The term ''association'' means the association established pursuant to section 21(a)(3)(A) of the Small Business Act (15 U.S.C. 648(a)(3)(A)) representing a majority of Small Business Development Centers.

(4) PARTICIPATING SMALL BUSINESS DEVELOPMENT CENTER.—The term ''participating Small Business Development Center'' means a Small Business Development Center participating in the pilot program established under this section.

(5) REGULATORY COMPLIANCE ASSISTANCE.—The term ''regulatory compliance assistance'' means assistance provided by a Small Business Development Center to a small business concern to assist and facilitate the concern in complying with Federal and State regulatory requirements derived from Federal law.

(6) SMALL BUSINESS DEVELOPMENT CENTER.—The term ''Small Business Development Center'' means a Small Business Development Center described in section 21 of the Small Business Act (15 U.S.C. 648).

(7) STATE.—The term ''State'' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam.

(c) SMALL BUSINESS REGULATORY ASSISTANCE PILOT PROGRAM.—

(1) AUTHORITY.—In accordance with this section, the Administrator shall establish a pilot program to provide regulatory compliance assistance to small business concerns through participating Small Business Development Centers.

(2) SMALL BUSINESS DEVELOPMENT CENTERS.—

(A) IN GENERAL.—In carrying out the pilot program established under this section, the Administrator shall enter into arrangements with participating Small Business Development Centers under which such Centers shall—

(i) provide access to information and resources, including current Federal and State nonpunitive compliance and technical assistance programs similar to those established under section 507 of the Clean Air Act Amendments of 1990 (42 U.S.C. 7661f);

(ii) conduct training and educational activities;

(iii) offer confidential, free-of-charge, one-on-one, in-depth counseling to the owners and operators of small business concerns regarding compliance with Federal and State regulations derived from Federal law, provided that such counseling is not considered to be the practice of law in a State in which a Small Business Development Center is located or in which such counseling is conducted;

(iv) provide technical assistance;

(v) give referrals to experts and other providers of compliance assistance who meet such standards for educational, technical, and professional competency as are established by the Administrator; and

(vi) form partnerships with Federal compliance programs.

(B) REPORTS.—Each participating Small Business Development Center shall transmit to the Administrator and the Chief Counsel for Advocacy of the Administration, as the Administrator may direct, a quarterly report that includes—

(i) a summary of the regulatory compliance assistance provided by the Center under the pilot program;

(ii) the number of small business concerns assisted under the pilot program; and

(iii) for every fourth report, any regulatory compliance information based on Federal law that a Federal or State agency has provided to the Center during the preceding year and requested that it be disseminated to small business concerns.

(3) ELIGIBILITY.—A Small Business Development Center shall be eligible to receive assistance under the pilot program established under this section only if such Center is certified under section 21(k)(2) of the Small Business Act (15 U.S.C. 648(k)(2)).

(4) SELECTION OF PARTICIPATING STATE PROGRAMS.—

(A) GROUPINGS.—

(i) CONSULTATION.—In consultation with the association, and giving substantial weight to the recommendations of the association, the Administrator shall select the Small Business Development Center Programs of 2 States from each of the groups of States described in clauses (ii) through (xi) to participate in the pilot program established under this section.

(ii) GROUP 1.—Group 1 shall consist of Maine, Massachusetts, New Hampshire, Connecticut, Vermont, and Rhode Island.

(iii) GROUP 2.—Group 2 shall consist of New York, New Jersey, Puerto Rico, and the Virgin Islands.

(iv) GROUP 3.—Group 3 shall consist of Pennsylvania, Maryland, West Virginia, Virginia, the District of Columbia, and Delaware.

(v) GROUP 4.—Group 4 shall consist of Georgia, Alabama, North Carolina, South Carolina, Mississippi, Florida, Kentucky, and Tennessee.

(vi) GROUP 5.—Group 5 shall consist of Illinois, Ohio, Michigan, Indiana, Wisconsin, and Minnesota.

(vii) GROUP 6.—Group 6 shall consist of Texas, New Mexico, Arkansas, Oklahoma, and Louisiana.

(viii) GROUP 7.—Group 7 shall consist of Missouri, Iowa, Nebraska, and Kansas.

(ix) GROUP 8.—Group 8 shall consist of Colorado, Wyoming, North Dakota, South Dakota, Montana, and Utah.

(x) GROUP 9.—Group 9 shall consist of California, Guam, American Samoa, Hawaii, Nevada, and Arizona.

(xi) GROUP 10.—Group 10 shall consist of Washington, Alaska, Idaho, and Oregon.

(B) DEADLINE FOR SELECTION.—The Administrator shall make selections under this paragraph not later than 60 days after the date of publication of final regulations under subsection (d).

(C) COORDINATION TO AVOID DUPLICATION WITH OTHER PROGRAMS.—In selecting Small Business Development Center Programs under this paragraph, the Administrator shall give a preference to any such program that has a plan for consulting with Federal and State agencies to ensure that any assistance provided under this section is not duplicated by a Federal or State program.

(5) MATCHING REQUIREMENT.—Subparagraphs (A) and (B) of section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) shall apply to assistance made available under the pilot program established under this section.

(6) GRANT AMOUNTS.—Each State program selected to receive a grant under paragraph (4) shall be eligible to receive a grant in an amount equal to—

(A) not less than $150,000 per fiscal year; and

(B) not more than $300,000 per fiscal year.

(7) EVALUATION AND REPORT.—The Comptroller General of the United States shall—

(A) not later than 30 months after the date of disbursement of the first grant under the pilot program established under this section, initiate an evaluation of the pilot program; and

(B) not later than 6 months after the date of the initiation of the evaluation under subparagraph (A), transmit to the Administrator, the Committee on Small Business and Entrepreneurship of the Senate, and the Committee on Small Business of the House of Representatives, a report containing—

(i) the results of the evaluation; and

(ii) any recommendations as to whether the pilot program, with or without modification, should be extended to include the participation of all Small Business Development Centers.

(8) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—There are authorized to be appropriated to carry out this section—

(i) $5,000,000 for the first fiscal year beginning after the date of enactment of this Act; and

(ii) $5,000,000 for each of the 3 fiscal years following the fiscal year described in clause (i).

(B) LIMITATION ON USE OF OTHER FUNDS.—The Administrator may carry out the pilot program established under this section only with amounts appropriated in advance specifically to carry out this section.

(9) TERMINATION.—The Small Business Regulatory Assistance Pilot Program established under this section shall terminate 4 years after the date of disbursement of the first grant under the pilot program.

(d) RULEMAKING.—After providing notice and an opportunity for comment, and after consulting with the association (but not later than 180 days after the date of enactment of this Act), the Administrator shall promulgate final regulations to carry out this section, including regulations that establish—

(1) priorities for the types of assistance to be provided under the pilot program established under this section;

(2) standards relating to educational, technical, and support services to be provided by participating Small Business Development Centers;

(3) standards relating to any national service delivery and support function to be provided by the association under the pilot program;

(4) standards relating to any work plan that the Administrator may require a participating Small Business Development Center to develop; and

(5) standards relating to the educational, technical, and professional competency of any expert or other assistance provider to whom a small business concern may be referred for compliance assistance under the pilot program.

SA 129. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. _____. MODIFICATION OF DETERMINATION OF EXCLUSION FOR TRACTORS WEIGHING NOT MORE THAN 19,500 POUNDS FROM FEDERAL EXCISE TAX ON HEAVY TRUCKS AND TRAILERS.

(a) IN GENERAL.—Subparagraph (B) of section 4051(a)(4) is amended to read as follows:

''(B) the gross combined weight (as determined by the Secretary) of such tractor, in combination with a trailer or a semitrailer, does not exceed the tractor's gross vehicle weight by 26,000 pounds or more.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendment made by section 11112(a) of Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users.

SA 130. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ____. EXTENSION OF WORK OPPORTUNITY TAX CREDIT TO QUALIFIED RESTAURANT EMPLOYEES.

(a) IN GENERAL.—Section 51(d)(1) of the Internal Revenue Code of 1986 is amended by striking ''or'' at the end of subparagraph (H), by striking the period at the end of subparagraph (I) and inserting '', or'', and by adding at the end the following new subparagraph:

''(J) a qualified restaurant employee.''.

(b) QUALIFIED RESTAURANT EMPLOYEE.—Section 51(d) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (11) through (13) as paragraphs (12) through (14), respectively, and by inserting after paragraph (10) the following new paragraph:

''(11) QUALIFIED RESTAURANT EMPLOYEE.—

''(A) IN GENERAL.—The term 'qualified restaurant employee' means any individual—

''(i) who performs services in a restaurant where tipping is not customary,

''(ii) who is not exempt under the Fair Labor Standards Act and earns at least the Federal minimum wage, and

''(iii) who is certified by the employer during the hiring process as having attained age 16 but not 20 on the hiring date.

''(B) SPECIAL RULE FOR DETERMINING AMOUNT OF CREDIT.—For purposes of applying this subpart to wages paid or incurred to any qualified restaurant employee, subsection (b)(3) shall be applied by substituting '$3,000' for '$6,000'.''.

(c) SPECIAL RULE FOR CERTIFICATIONS.—Subparagraph (A) of section 51(d)(14) of the Internal Revenue Code of 1986, as redesignated by subsection (b), is amended by inserting '', other than an individual described in paragraph (11),'' after ''An individual''.

(d) NONQUALIFYING REHIRES.—Paragraph (2) of section 51(i) of the Internal Revenue Code of 1986 is amended to read as follows:

''(2) NONQUALIFYING REHIRES.—

''(A) IN GENERAL.—No wages shall be taken into account under subsection (a) with respect to any individual, other than an individual described in subsection (d)(11), if, prior to the hiring date of such individual, such individual had been employed by the employer at any time.

''(B) QUALIFIED RESTAURANT EMPLOYEES.—In the case of an individual described in subsection (d)(11), no wages shall be taken into account under subsection (a) if, prior to the hiring date of such individual, such individual had been employed by the employer within the prior 90 day period.''.

(e) MINIMUM EMPLOYMENT PERIODS.—Section 51(i)(3) of the Internal Revenue Code of

1986 is amended by adding at the end the following new subparagraph:

''(C) NONAPPLICATION TO QUALIFIED RESTAURANT EMPLOYEES.—Subparagraphs (A) and (B) shall not apply to an individual described in subsection (d)(11).''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SA 131. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. _____. DEDUCTIBILITY OF INTEREST EXPENSE INCURRED BY ELECTING SMALL BUSINESS TRUST TO ACQUIRE S CORPORATION STOCK.

(a) IN GENERAL.—Subparagraph (C) of section 641(c)(2) of the Internal Revenue Code of 1986 (relating to modifications) is amended by inserting after clause (iii) the following new clause:

''(iv) Any interest expense incurred to acquire stock in an S corporation.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2006.

SA 132. Mr. SMITH (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. EXPANSION OF DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

''(1) ALLOWANCE OF DEDUCTION.—In the case of a taxpayer who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for—

''(A) the taxpayer,

''(B) the taxpayer's spouse,

''(C) the taxpayer's dependents,

''(D) any individual—

''(i) who was not the spouse, determined without regard to section 7703, of the taxpayer at any time during the taxable year of the taxpayer,

''(ii) who—

''(I) has not attained the age of 19 as of the close of the calendar year in which the taxable year of the taxpayer begins, or

''(II) is a student who has not attained the age of 24 as of the close of such calendar year,

''(iii) who, for the taxable year of the taxpayer, has the same principal place of abode as the taxpayer and is a member of the taxpayer's household, and

''(iv) with respect to whom the taxpayer provides over one-half of the individual's support for the calendar year in which the taxpayer's taxable year begins, and

''(E) an individual—

''(i) who is designated by the taxpayer for purposes of this paragraph,

''(ii) who is not the spouse or qualifying child of such taxpayer or any other taxpayer for any taxable year beginning in the calendar year in which the taxpayer's taxable year begins, and

''(iii) who, for the taxable year of the taxpayer, has the same principal place of abode as the taxpayer and is a member of the taxpayer's household.

For purposes of subparagraph (E)(i), not more than 1 person may be designated by the taxpayer for any taxable year.''.

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 162(l)(2) of the Internal Revenue Code of 1986 is amended by striking ''or of the spouse of the taxpayer'' and inserting '', of the spouse of the taxpayer, or of any individual described in paragraph (1)(E)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SA 133. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. STATE MINIMUM WAGE.

Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end the following:

''(h)(1) An employer in a State that adopts a minimum wage law that conforms to the requirements of paragraph (2) shall not be required to pay the employer's employees at the minimum wage prescribed by subsection (a)(1).

''(2) Paragraph (1) shall apply in a State that adopts a minimum wage law that—

''(A) sets a rate that is not less than $5.15 an hour; and

''(B) applies that rate to not fewer than the employees performing work within the State who would otherwise be covered by the minimum wage rate prescribed by subsection (a)(1).

''(3) In the case of a State that does not have a State law that conforms to the requirements of paragraph (2), an increase in the minimum wage rate prescribed by subsection (a)(1) that is enacted on or after the date of enactment of the Fair Minimum Wage Act of 2007 shall go into effect in such State 6 months after the first day of the first legislative session of the State legislature in which a State law described in paragraph (2) may be considered.''.

SA 134. Mr. COBURN submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. STATE MINIMUM WAGE.

Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end the following:

''(h)(1) An employer in a State that adopts a minimum wage law that conforms to the requirements of paragraph (2) shall not be required to pay the employer's employees at the minimum wage prescribed by subsection (a)(1).

''(2) Paragraph (1) shall apply in a State that adopts a minimum wage law that—

''(A) sets a rate that is not less than $5.15 an hour; and

''(B) applies that rate to not fewer than the employees performing work within the State who would otherwise be covered by the minimum wage rate prescribed by subsection (a)(1).

''(3) In the case of a State that does not have a State law that conforms to the requirements of paragraph (2), an increase in the minimum wage rate prescribed by subsection (a)(1) that is enacted on or after the date of enactment of the Fair Minimum Wage Act of 2007 shall go into effect in such State 6 months after the first day of the first legislative session of the State legislature in which a State law described in paragraph (2) may be considered.''.

SA 135. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REPEAL OF FEDERAL UNEMPLOYMENT SURTAX.

(a) IN GENERAL.—Section 3301 (relating to rate of Federal unemployment tax) is amended by striking ''or'' at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

''(2) in the case of wages paid in calendar year 2007—

''(A) 6.2 percent in the case of wages for any portion of the year ending before April 1, and

''(B) 6.0 percent in the case of wages for any portion of the year beginning after March 31; or''.

(b) CONFORMING AMENDMENT.—Section 3301(1) of such Code is amended by striking ''2007'' and inserting ''2006''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to wages paid after December 31, 2006.

SA 136. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. REPEAL OF FEDERAL UNEMPLOYMENT SURTAX.

(a) IN GENERAL.—Section 3301 (relating to rate of Federal unemployment tax) is amended by striking ''or'' at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following new paragraph:

''(2) in the case of wages paid in calendar year 2007—

''(A) 6.2 percent in the case of wages for any portion of the year ending before April 1, and

''(B) 6.0 percent in the case of wages for any portion of the year beginning after March 31; or''.

(b) CONFORMING AMENDMENT.—Section 3301(1) of such Code is amended by striking ''2007'' and inserting ''2006''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to wages paid after December 31, 2006.

SA 137. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the

Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. EMPLOYER-PROVIDED OFF-PREMISES HEALTH CLUB SERVICES.

(a) TREATMENT AS FRINGE BENEFIT.—Subparagraph (A) of section 132(j)(4) of the Internal Revenue Code of 1986 (relating to on-premises gyms and other athletic facilities) is amended to read as follows:

''(A) IN GENERAL.—Gross income shall not include—

''(i) the value of any on-premises athletic facility provided by an employer to its employees, and

''(ii) in the case of any taxable year beginning in 2007, so much of the fees, dues, or membership expenses paid by an employer to an athletic or fitness facility described in subparagraph (C) on behalf of its employees as does not exceed $900 per employee per year.''.

(b) ATHLETIC FACILITIES DESCRIBED.—Paragraph (4) of section 132(j) of the Internal Revenue Code of 1986 (relating to special rules) is amended by adding at the end the following new subparagraph:

''(C) CERTAIN ATHLETIC OR FITNESS FACILITIES DESCRIBED.—For purposes of subparagraph (A)(ii), an athletic or fitness facility described in this subparagraph is a facility—

''(i) which provides instruction in a program of physical exercise, offers facilities for the preservation, maintenance, encouragement, or development of physical fitness, or is the site of such a program of a State or local government,

''(ii) which is not a private club owned and operated by its members,

''(iii) which does not offer golf, hunting, sailing, or riding facilities,

''(iv) whose health or fitness facility is not incidental to its overall function and purpose, and

''(v) which is fully compliant with the State of jurisdiction and Federal anti-discrimination laws.''.

(c) EXCLUSION APPLIES TO HIGHLY COMPENSATED EMPLOYEES ONLY IF NO DISCRIMINATION.—Section 132(j)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Paragraphs (1) and (2) of subsection (a)'' and inserting ''Subsections (a)(1), (a)(2), and (j)(4)'', and

(2) by striking the heading thereof through ''(2) APPLY'' and inserting ''CERTAIN EXCLUSIONS APPLY''.

(d) EMPLOYER DEDUCTION FOR DUES TO CERTAIN ATHLETIC FACILITIES.—

(1) IN GENERAL.—Paragraph (3) of section 274(a) of the Internal Revenue Code of 1986 (relating to denial of deduction for club dues) is amended by adding at the end the following new sentence: ''The preceding sentence shall not apply to so much of the fees, dues, or membership expenses paid in any taxable year beginning in 2007 to athletic or fitness facilities (within the meaning of section 132(j)(4)(C)) as does not exceed $900 per employee per year.''.

(2) CONFORMING AMENDMENT.—The last sentence of section 274(e)(4) of such Code is amended by inserting ''the first sentence of'' before ''subsection (a)(3)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SA 138. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. EMPLOYER-PROVIDED OFF-PREMISES HEALTH CLUB SERVICES.

(a) TREATMENT AS FRINGE BENEFIT.—Subparagraph (A) of section 132(j)(4) of the Internal Revenue Code of 1986 (relating to on-premises gyms and other athletic facilities) is amended to read as follows:

''(A) IN GENERAL.—Gross income shall not include—

''(i) the value of any on-premises athletic facility provided by an employer to its employees, and

''(ii) in the case of any taxable year beginning in 2007, so much of the fees, dues, or membership expenses paid by an employer to an athletic or fitness facility described in subparagraph (C) on behalf of its employees as does not exceed $900 per employee per year.''.

(b) ATHLETIC FACILITIES DESCRIBED.—Paragraph (4) of section 132(j) of the Internal Revenue Code of 1986 (relating to special rules) is amended by adding at the end the following new subparagraph:

''(C) CERTAIN ATHLETIC OR FITNESS FACILITIES DESCRIBED.—For purposes of subparagraph (A)(ii), an athletic or fitness facility described in this subparagraph is a facility—

''(i) which provides instruction in a program of physical exercise, offers facilities for the preservation, maintenance, encouragement, or development of physical fitness, or is the site of such a program of a State or local government,

''(ii) which is not a private club owned and operated by its members,

''(iii) which does not offer golf, hunting, sailing, or riding facilities,

''(iv) whose health or fitness facility is not incidental to its overall function and purpose, and

''(v) which is fully compliant with the State of jurisdiction and Federal anti-discrimination laws.''.

(c) EXCLUSION APPLIES TO HIGHLY COMPENSATED EMPLOYEES ONLY IF NO DISCRIMINATION.—Section 132(j)(1) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''Paragraphs (1) and (2) of subsection (a)'' and inserting ''Subsections (a)(1), (a)(2), and (j)(4)'', and

(2) by striking the heading thereof through ''(2) APPLY'' and inserting ''CERTAIN EXCLUSIONS APPLY''.

(d) EMPLOYER DEDUCTION FOR DUES TO CERTAIN ATHLETIC FACILITIES.—

(1) IN GENERAL.—Paragraph (3) of section 274(a) of the Internal Revenue Code of 1986 (relating to denial of deduction for club dues) is amended by adding at the end the following new sentence: ''The preceding sentence shall not apply to so much of the fees, dues, or membership expenses paid in any taxable year beginning in 2007 to athletic or fitness facilities (within the meaning of section 132(j)(4)(C)) as does not exceed $900 per employee per year.''.

(2) CONFORMING AMENDMENT.—The last sentence of section 274(e)(4) of such Code is amended by inserting ''the first sentence of'' before ''subsection (a)(3)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SA 139. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REPEAL OF EGTRRA AND JGTRRA SUNSETS.

(a) EGTRRA.—The Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking title IX.

(b) JGTRRA.—Title III of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking section 303.

SA 140. Mr. CORNYN submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REPEAL OF EGTRRA AND JGTRRA SUNSETS.

(a) EGTRRA.—The Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking title IX.

(b) JGTRRA.—Title III of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking section 303.

SA 141. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. RESPONSIBLE EMPLOYER REQUIREMENTS.

(a) PENALTIES FOR UNLAWFUL EMPLOYMENT OF ALIENS.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended—

(1) in subsection (e)(4)—

(A) in subparagraph (A)(i), by striking ''not less than $250 and not more than $2,000'' and inserting ''not less than $5000 and not more than $7,500'';

(B) in subparagraph (A)(ii), by striking ''not less than $2,000 and not more than $5,000'' and inserting ''not less than $10,000 and not more than $15,000''; and

(C) in subparagraph (A)(iii), by striking ''not less than $3,000 and not more than $10,000'' and inserting ''not less than $25,000 and not more than $40,00'';

(2) in subsection (e)(5)—

(A) by inserting '', subject to paragraph (10),'' after ''in an amount'';

(B) by striking ''$100 and not more than $1,000'' and inserting ''$1,000 and not more than $25,000''; and

(C) by adding at the end the following sentence: ''Providing information to the basic pilot program described in section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) that the person or entity knows or reasonably believes to be false, shall be treated as a violation of subsection (a)(1)(A) and shall not qualify for the exemption provided by (e)(10).'';

(3) by adding at the end of subsection (e) the following new paragraph:

''(10) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition of a civil penalty under paragraph (4)(A) with respect to a violation of subsection (a)(1)(A) or (a)(2) for hiring or continuation of employment by an employer and in the case of imposition of a civil penalty under paragraph (5) for a violation of subsection (a)(1)(B) for

hiring or recruitment or referral by a person or entity, the penalty otherwise imposed shall be waived if the violator establishes that it was voluntarily participating in the basic pilot electronic verification program at the time of the offense.'';

(4) by amending paragraph (1) of subsection (f) to read as follows:

''(1) CRIMINAL PENALTY.—Any person or entity which engages in a pattern or practice of violations of paragraph (1) or (2) of subsection (a) shall be fined not less than $3,000 and more than $50,000 for each unauthorized alien with respect to which such a violation occurs, imprisoned for not less than one year, or both, notwithstanding the provisions of any other Federal law relating to fine levels.''; and

(5) in subsection (f)(2), by striking ''Attorney General'' each place it appears and inserting ''Secretary of Homeland Security''.

(b) RETENTION AND USE OF EMPLOYMENT ELIGIBILITY VERIFICATION DOCUMENTS.—

(1) RETENTION.—Section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended by striking paragraph (4) and inserting the following:

''(4) COPYING AND RETENTION OF DOCUMENTATION.—

''(A) IN GENERAL.—A person or entity required to examine a document described in subparagraph (B), (C), or (D) of paragraph (1) or receive an attestation described in paragraph (2) shall retain a paper, microfiche, microfilm, or electronic version of each such document and attestation, indicate that each such version is a copied document, and make such versions available for inspection by an officer of the Department of Homeland Security or any other person designated by the Secretary, the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice, or the Secretary of Labor during the period beginning on the date of the hiring, or recruiting or referring for a fee, of the individual and ending—

''(i) in the case of the recruiting or referral for a fee (without hiring) of an individual, 5 years after the date of the recruiting or referral; or

''(ii) in the case of the hiring of an individual the later of—

''(I) 5 years after the date of such hiring; or

''(II) 1 year after the date the individual's employment is terminated.

''(B) OTHER RECORDS.—Such person or entity shall maintain records of any action taken and copies of any correspondence written or received with respect to the verification of an individual's identity or eligibility for employment in the United States.''.

(2) LIMITATION ON USE OF RETAINED DOCUMENTS.—Paragraph (5) of section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended—

(A) in the heading, by striking ''LIMITATION ON USE OF ATTESTATION FORM'' and inserting ''ATTESTATION FORM'';

(B) by redesignating such paragraph (5) as subparagraph (A);

(C) by indenting such subparagraph, as so designated, six ems from the left margin;

(D) by inserting before such subparagraph, as so designated, the following:

''(5) LIMITATION ON USE.—''; and

(E) by inserting after such subparagraph, as so designated, the following new subparagraph:

''(B) RETAINED DOCUMENTS.—A person or entity required to retain versions of documents or attestations or maintain records under paragraph (4) shall use any such version, attestation, or record only for the purposes of complying with the requirements of this subsection, except as otherwise permitted under law.''.

(c) EXTENSION OF THE BASIC PILOT PROGRAM.—Section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following new paragraph:

''(5) INDIVIDUALS COVERED.—Notwithstanding any other provision of this title, a person or other entity that elects to participate in the basic pilot program shall follow the procedures described in paragraphs (1) thorough (4) for each individual who the person or entity hires (or recruits or refers) for employment and for each individual who is employed by the person or entity.''.

SEC. ___. RESPONSIBLE GOVERNMENT CONTRACTOR REQUIREMENTS.

Section 274A(e) of the Immigration and Nationality Act (8 U.S.C. 1324a(e)) is amended by adding at the end the following new paragraph:

''(10) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(A) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subparagraph (C), if an employer who does not hold a Federal contract, grant, or cooperative agreement is determined to have violated this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 7 years.

''(ii) PLACEMENT ON EXCLUDED LIST.—The Secretary of Homeland Security or the Attorney General shall advise the Administrator of General Services of the debarment of an employer under clause (i) and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 7 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—The Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of a debarment under clause (i) if such waiver or limitation is necessary to national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternative action under this clause shall not be judicially reviewed.

''(B) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subclause (C), an employer who holds a Federal contract, grant, or cooperative agreement and is determined to have violated this section shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(ii) NOTICE TO AGENCIES.—Prior to debarring the employer under clause (i), the Secretary of Homeland Security, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of the debarment under clause (i) if such waiver or limitation is necessary to the national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternate action under this clause shall not be judicially reviewed.

''(C) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition on an employer of a debarment from the receipt of a Federal contract, grant, or cooperative agreement under subparagraph (A) or (B), that penalty shall be waived if the employer establishes that the employer was voluntarily participating in the basic pilot program under section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) at the time of the violations of this section that resulted in the debarment.''.

SA 142. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. RESPONSIBLE EMPLOYER REQUIREMENTS.

(a) PENALTIES FOR UNLAWFUL EMPLOYMENT OF ALIENS.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended—

(1) in subsection (e)(4)—

(A) in subparagraph (A)(i), by striking ''not less than $250 and not more than $2,000'' and inserting ''not less than $5000 and not more than $7,500'';

(B) in subparagraph (A)(ii), by striking ''not less than $2,000 and not more than $5,000'' and inserting ''not less than $10,000 and not more than $15,000''; and

(C) in subparagraph (A)(iii), by striking ''not less than $3,000 and not more than $10,000'' and inserting ''not less than $25,000 and not more than $40,00'';

(2) in subsection (e)(5)—

(A) by inserting '', subject to paragraph (10),'' after ''in an amount'';

(B) by striking ''$100 and not more than $1,000'' and inserting ''$1,000 and not more than $25,000''; and

(C) by adding at the end the following sentence: ''Providing information to the basic pilot program described in section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) that the person or entity knows or reasonably believes to be false, shall be treated as a violation of subsection (a)(1)(A) and shall not qualify for the exemption provided by (e)(10).'';

(3) by adding at the end of subsection (e) the following new paragraph:

''(10) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition of a

civil penalty under paragraph (4)(A) with respect to a violation of subsection (a)(1)(A) or (a)(2) for hiring or continuation of employment by an employer and in the case of imposition of a civil penalty under paragraph (5) for a violation of subsection (a)(1)(B) for hiring or recruitment or referral by a person or entity, the penalty otherwise imposed shall be waived if the violator establishes that it was voluntarily participating in the basic pilot electronic verification program at the time of the offense.'';

(4) by amending paragraph (1) of subsection (f) to read as follows:

''(1) CRIMINAL PENALTY.—Any person or entity which engages in a pattern or practice of violations of paragraph (1) or (2) of subsection (a) shall be fined not less than $3,000 and more than $50,000 for each unauthorized alien with respect to which such a violation occurs, imprisoned for not less than one year, or both, notwithstanding the provisions of any other Federal law relating to fine levels.''; and

(5) in subsection (f)(2), by striking ''Attorney General'' each place it appears and inserting ''Secretary of Homeland Security''.

(b) RETENTION AND USE OF EMPLOYMENT ELIGIBILITY VERIFICATION DOCUMENTS.—

(1) RETENTION.—Section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended by striking paragraph (4) and inserting the following:

''(4) COPYING AND RETENTION OF DOCUMENTATION.—

''(A) IN GENERAL.—A person or entity required to examine a document described in subparagraph (B), (C), or (D) of paragraph (1) or receive an attestation described in paragraph (2) shall retain a paper, microfiche, microfilm, or electronic version of each such document and attestation, indicate that each such version is a copied document, and make such versions available for inspection by an officer of the Department of Homeland Security or any other person designated by the Secretary, the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice, or the Secretary of Labor during the period beginning on the date of the hiring, or recruiting or referring for a fee, of the individual and ending—

''(i) in the case of the recruiting or referral for a fee (without hiring) of an individual, 5 years after the date of the recruiting or referral; or

''(ii) in the case of the hiring of an individual the later of—

''(I) 5 years after the date of such hiring; or

''(II) 1 year after the date the individual's employment is terminated.

''(B) OTHER RECORDS.—Such person or entity shall maintain records of any action taken and copies of any correspondence written or received with respect to the verification of an individual's identity or eligibility for employment in the United States.''.

(2) LIMITATION ON USE OF RETAINED DOCUMENTS.—Paragraph (5) of section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended—

(A) in the heading, by striking ''LIMITATION ON USE OF ATTESTATION FORM'' and inserting ''ATTESTATION FORM'';

(B) by redesignating such paragraph (5) as subparagraph (A);

(C) by indenting such subparagraph, as so designated, six ems from the left margin;

(D) by inserting before such subparagraph, as so designated, the following:

''(5) LIMITATION ON USE.—''; and

(E) by inserting after such subparagraph, as so designated, the following new subparagraph:

''(B) RETAINED DOCUMENTS.—A person or entity required to retain versions of documents or attestations or maintain records under paragraph (4) shall use any such version, attestation, or record only for the purposes of complying with the requirements of this subsection, except as otherwise permitted under law.''.

(c) EXTENSION OF THE BASIC PILOT PROGRAM.—Section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following new paragraph:

''(5) INDIVIDUALS COVERED.—Notwithstanding any other provision of this title, a person or other entity that elects to participate in the basic pilot program shall follow the procedures described in paragraphs (1) thorough (4) for each individual who the person or entity hires (or recruits or refers) for employment and for each individual who is employed by the person or entity.''.

SEC. ___. RESPONSIBLE GOVERNMENT CONTRACTOR REQUIREMENTS.

Section 274A(e) of the Immigration and Nationality Act (8 U.S.C. 1324a(e)) is amended by adding at the end the following new paragraph:

''(10) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(A) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subparagraph (C), if an employer who does not hold a Federal contract, grant, or cooperative agreement is determined to have violated this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 7 years.

''(ii) PLACEMENT ON EXCLUDED LIST.—The Secretary of Homeland Security or the Attorney General shall advise the Administrator of General Services of the debarment of an employer under clause (i) and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 7 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—The Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of a debarment under clause (i) if such waiver or limitation is necessary to national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternative action under this clause shall not be judicially reviewed.

''(B) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subclause (C), an employer who holds a Federal contract, grant, or cooperative agreement and is determined to have violated this section shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(ii) NOTICE TO AGENCIES.—Prior to debarring the employer under clause (i), the Secretary of Homeland Security, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of the debarment under clause (i) if such waiver or limitation is necessary to the national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternate action under this clause shall not be judicially reviewed.

''(C) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition on an employer of a debarment from the receipt of a Federal contract, grant, or cooperative agreement under subparagraph (A) or (B), that penalty shall be waived if the employer establishes that the employer was voluntarily participating in the basic pilot program under section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) at the time of the violations of this section that resulted in the debarment.''.

SA 143. Mr. SESSIONS submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—UNLAWFUL EMPLOYMENT OF ALIENS

SEC. 201. UNLAWFUL EMPLOYMENT OF ALIENS.

(a) IN GENERAL.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended to read as follows:

''SEC. 274A. UNLAWFUL EMPLOYMENT OF ALIENS.

''(a) MAKING EMPLOYMENT OF UNAUTHORIZED ALIENS UNLAWFUL.—

''(1) IN GENERAL.—It is unlawful for an employer—

''(A) to hire, or to recruit or refer for a fee, an alien for employment in the United States knowing, or with reckless disregard, that the alien is an unauthorized alien with respect to such employment; or

''(B) to hire, or to recruit or refer for a fee, for employment in the United States an individual unless such employer meets the requirements of subsections (c) and (d).

''(2) CONTINUING EMPLOYMENT.—It is unlawful for an employer, after lawfully hiring an alien for employment, to continue to employ the alien in the United States knowing that the alien is (or has become) an unauthorized alien with respect to such employment.

''(3) USE OF LABOR THROUGH CONTRACT.—

''(A) IN GENERAL.—An employer who uses a contract, subcontract, or exchange to obtain the labor of an alien in the United States knowing, or with reckless disregard—

''(i) that the alien is an unauthorized alien with respect to performing such labor, shall be considered to have hired the alien in violation of paragraph (1)(A); or

''(ii) that the person hiring such alien failed to comply with the requirements of

subsections (c) and (d) shall be considered to have hired the alien in violation of paragraph (1)(B).

''(B) INFORMATION SHARING.—The person hiring the alien shall provide to the employer, who obtains the labor of the alien, the employer identification number assigned to such person by the Commissioner of Internal Revenue. Failure to provide such number shall be considered a recordkeeping violation under subsection (e)(4)(B).

''(C) REPORTING REQUIREMENT.—The employer shall submit to the Electronic Verification System established under subsection (d), in a manner prescribed by the Secretary, the employer identification number provided by the person hiring the alien. Failure to submit such number shall be considered a recordkeeping violation under subsection (e)(4)(B).

''(D) ENFORCEMENT.—The Secretary shall implement procedures to utilize the information obtained under subparagraphs (B) and (C) to identify employers who use a contract, subcontract, or exchange to obtain the labor of an alien from another person, where such person hiring such alien fails to comply with the requirements of subsections (c) and (d).

''(4) DEFENSE.—

''(A) IN GENERAL.—Subject to subparagraph (B), an employer that establishes that the employer has complied in good faith with the requirements of subsections (c) and (d) has established an affirmative defense that the employer has not violated paragraph (1)(A) with respect to such hiring, recruiting, or referral.

''(B) EXCEPTION.—Until the date that an employer is required to participate in the Electronic Employment Verification System under subsection (d) or is participating in such System on a voluntary basis, the employer may establish an affirmative defense under subparagraph (A) by complying with the requirements of subsection (c).

''(b) ORDER OF INTERNAL REVIEW AND CERTIFICATION OF COMPLIANCE.—

''(1) AUTHORITY TO REQUIRE CERTIFICATION.—If the Secretary has reasonable cause to believe that an employer has failed to comply with this section, the Secretary is authorized, at any time, to require that the employer certify that the employer is in compliance with this section, or has instituted a program to come into compliance.

''(2) CONTENT OF CERTIFICATION.—Not later than 60 days after the date an employer receives a request for a certification under paragraph (1) the employer shall certify under penalty of perjury that—

''(A) the employer is in compliance with the requirements of subsections (c) and (d); or

''(B) that the employer has instituted a program to come into compliance with such requirements.

''(3) EXTENSION.—The 60-day period referred to in paragraph (2), may be extended by the Secretary for good cause, at the request of the employer.

''(4) PUBLICATION.—The Secretary is authorized to publish in the Federal Register standards or methods for certification under paragraph (1) and for specific recordkeeping practices with respect to such certification, and procedures for the audit of any records related to such certification.

''(c) DOCUMENT VERIFICATION REQUIREMENTS.—An employer hiring, or recruiting or referring for a fee, an individual for employment in the United States shall verify that the individual is eligible for such employment by meeting the following requirements:

''(1) ATTESTATION BY EMPLOYER.—

''(A) REQUIREMENTS.—

''(i) IN GENERAL.—The employer shall attest, under penalty of perjury and on a form prescribed by the Secretary, that the employer has verified the identity and eligibility for employment of the individual by examining a document described in subparagraph (B).

''(ii) SIGNATURE REQUIREMENTS.—An attestation required by clause (i) may be manifested by a handwritten or electronic signature.

''(iii) STANDARDS FOR EXAMINATION.—The employer has complied with the requirement of this paragraph with respect to examination of documentation if a reasonable person would conclude that the document examined is genuine and relates to the individual whose identity and eligibility for employment in the United States is being verified. If the individual provides a document sufficient to meet the requirements of this paragraph, nothing in this paragraph shall be construed as requiring an employer to solicit any other document or as requiring the individual to produce any other document.

''(B) IDENTIFICATION DOCUMENTS.—A document described in this subparagraph is—

''(i) in the case of an individual who is a national of the United States—

''(I) a United States passport; or

''(II) a driver's license or identity card issued by a State, the Commonwealth of the Northern Mariana Islands, or an outlying possession of the United States that satisfies the requirements of division B of Public Law 109–13 (119 Stat. 302);

''(ii) in the case of an alien lawfully admitted for permanent residence in the United States, a permanent resident card, as specified by the Secretary;

''(iii) in the case of an alien who is authorized under this Act or by the Secretary to be employed in the United States, an employment authorization card, as specified by the Secretary that—

''(I) contains a photograph of the individual or other identifying information, including name, date of birth, gender, and address; and

''(II) contains security features to make the document resistant to tampering, counterfeiting, and fraudulent use;

''(iv) in the case of an individual who is unable to obtain a document described in clause (i), (ii), or (iii), a document designated by the Secretary that—

''(I) contains a photograph of the individual or other identifying information, including name, date of birth, gender, and address; and

''(II) contains security features to make the document resistant to tampering, counterfeiting, and fraudulent use; or

''(v) until the date that an employer is required to participate in the Electronic Employment Verification System under subsection (d) or is participating in such System on a voluntary basis, a document, or a combination of documents, of such type that, as of the date of the enactment of the Fair Minimum Wage Act of 2007, the Secretary had established by regulation were sufficient for purposes of this section.

''(C) AUTHORITY TO PROHIBIT USE OF CERTAIN DOCUMENTS.—

''(i) AUTHORITY.—If the Secretary finds that a document or class of documents described in subparagraph (B) is not reliable to establish identity or is being used fraudulently to an unacceptable degree, the Secretary shall prohibit, or impose conditions, on the use of such document or class of documents for purposes of this subsection.

''(ii) REQUIREMENT FOR PUBLICATION.—The Secretary shall publish notice of any findings under clause (i) in the Federal Register.

''(2) ATTESTATION OF EMPLOYEE.—

''(A) REQUIREMENTS.—

''(i) IN GENERAL.—The individual shall attest, under penalty of perjury on the form described in paragraph (1)(A)(i), that the individual is a national of the United States, an alien lawfully admitted for permanent residence, or an alien who is authorized under this Act or by the Secretary to be hired, or to be recruited or referred for a fee, in the United States.

''(ii) SIGNATURE FOR EXAMINATION.—An attestation required by clause (i) may be manifested by a handwritten or electronic signature.

''(B) PENALTIES.—An individual who falsely represents that the individual is eligible for employment in the United States in an attestation required by subparagraph (A) shall, for each such violation, be subject to a fine of not more than $5,000, a term of imprisonment not to exceed 3 years, or both.

''(3) RETENTION OF ATTESTATION.—The employer shall retain a paper, microfiche, microfilm, or electronic version of the attestations made under paragraph (1) and (2) and make such attestations available for inspection by an officer of the Department of Homeland Security, any other person designated by the Secretary, the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice, or the Secretary of Labor during a period beginning on the date of the hiring, or recruiting or referring for a fee, of the individual and ending—

''(A) in the case of the recruiting or referral for a fee (without hiring) of an individual, 5 years after the date of the recruiting or referral; or

''(B) in the case of the hiring of an individual the later of—

''(i) 5 years after the date of such hiring;

''(ii) 1 year after the date the individual's employment is terminated; or

''(iii) in the case of an employer or class of employers, a period that is less than the applicable period described in clause (i) or (ii) if the Secretary reduces such period for such employer or class of employers.

''(4) DOCUMENT RETENTION AND RECORDKEEPING REQUIREMENTS.—

''(A) RETENTION OF DOCUMENTS.—Notwithstanding any other provision of law, an employer shall retain, for the applicable period described in paragraph (3), the following documents:

''(i) IN GENERAL.—The employer shall copy all documents presented by an individual described in paragraph (1)(B) and shall retain paper, microfiche, microfilm, or electronic copies of such documents. Such copies shall be designated as copied documents.

''(ii) OTHER DOCUMENTS.—The employer shall maintain records of any action taken and copies of any correspondence written or received with respect to the verification of an individual's identity or eligibility for employment in the United States.

''(B) USE OF RETAINED DOCUMENTS.—An employer shall use copies retained under clause (i) or (ii) of subparagraph (A) only for the purposes of complying with the requirements of this subsection, except as otherwise permitted under law.

''(5) PENALTIES.—An employer that fails to comply with the recordkeeping requirements of this subsection shall be subject to the penalties described in subsection (e)(4)(B).

''(6) NO AUTHORIZATION OF NATIONAL IDENTIFICATION CARDS.—Nothing in this section may be construed to authorize, directly or indirectly, the issuance, use, or establishment of a national identification card.

''(d) ELECTRONIC EMPLOYMENT VERIFICATION SYSTEM.—

''(1) REQUIREMENT FOR SYSTEM.—The Secretary, in cooperation with the Commissioner of Social Security, shall implement an Electronic Employment Verification System (referred to in this subsection as the 'System') to determine whether—

''(A) the identifying information submitted by an individual is consistent with the information maintained by the Secretary or the Commissioner of Social Security; and

''(B) such individual is eligible for employment in the United States.

''(2) REQUIREMENT FOR PARTICIPATION.—The Secretary shall require all employers in the United States to participate in the System, with respect to all employees hired by the employer on or after the date that is 18 months after the date that not less than $400,000,000 have been appropriated and made available to implement this subsection.

''(3) OTHER PARTICIPATION IN SYSTEM.—Notwithstanding paragraph (2), the Secretary has the authority—

''(A) to permit any employer that is not required to participate in the System under paragraph (2) to participate in the System on a voluntary basis; and

''(B) to require any employer or class of employers to participate on a priority basis in the System with respect to individuals employed as of, or hired after, the date of enactment of the Fair Minimum Wage Act of 2007—

''(i) if the Secretary designates such employer or class of employers as a critical employer based on an assessment of homeland security or national security needs; or

''(ii) if the Secretary has reasonable cause to believe that the employer has engaged in material violations of paragraph (1), (2), or (3) of subsection (a).

''(4) REQUIREMENT TO NOTIFY.—The Secretary shall notify the employer or class of employers in writing regarding the requirement for participation in the System under paragraph (3)(B) not less than 60 days prior to the effective date of such requirement. Such notice shall include the training materials described in paragraph (8)(E)(v).

''(5) REGISTRATION OF EMPLOYERS.—An employer shall register the employer's participation in the System in the manner prescribed by the Secretary prior to the date the employer is required or permitted to submit information with respect to an employee under this subsection.

''(6) ADDITIONAL GUIDANCE.—A registered employer shall be permitted to utilize any technology that is consistent with this section and with any regulation or guidance from the Secretary to streamline the procedures to facilitate compliance with—

''(A) the attestation requirement in subsection (c); and

''(B) the employment eligibility verification requirements in this subsection.

''(7) CONSEQUENCE OF FAILURE TO PARTICIPATE.—If an employer is required to participate in the System and fails to comply with the requirements of the System with respect to an employee—

''(A) such failure shall be treated as a violation of subsection (a)(1)(B); and

''(B) a rebuttable presumption is created that the employer has violated subsection (a)(1)(A), however, such presumption may not apply to a prosecution under subsection (f)(1).

''(8) DESIGN AND OPERATION OF SYSTEM.—

''(A) IN GENERAL.—The Secretary shall, through the System—

''(i) respond to each inquiry made by a registered employer through the Internet or other electronic media, or over a toll-free telephone line regarding an individual's identity and eligibility for employment in the United States; and

''(ii) maintain a record of each such inquiry and the information provided in response to such inquiry.

''(B) INITIAL INQUIRY.—

''(i) INFORMATION REQUIRED.—A registered employer shall, with respect to the hiring, or recruiting or referring for a fee, any individual for employment in the United States, obtain from the individual and record on the form described in subsection (c)(1)(A)(i)—

''(I) the individual's name and date of birth and, if the individual was born in the United States, the State in which such individual was born;

''(II) the individual's social security account number;

''(III) the employment identification number of the individual's employer during any one of the 5 most recently completed calendar years; and

''(IV) in the case of an individual who does not attest that the individual is a national of the United States under subsection (c)(1)(A)(i), such alien identification or authorization number that the Secretary shall require.

''(ii) SUBMISSION TO SYSTEM.—A registered employer shall submit an inquiry through the System to seek confirmation of the individual's identity and eligibility for employment in the United States—

''(I) not later than 3 days after the date of the hiring, or recruiting or referring for a fee, of the individual (as the case may be); or

''(II) in the case of an employee hired by a critical employer designated by the Secretary under paragraph (3)(B) at such time as the Secretary shall specify.

''(iii) EIN REQUIREMENTS.—

''(I) REQUIREMENT TO PROVIDE.—An employer shall provide the employer identification number issued to such employer to the individual, upon request, for purposes of providing the information under clause (i)(III).

''(II) REQUIREMENT TO AFFIRMATIVELY STATE A LACK OF RECENT EMPLOYMENT.—An individual providing information under clause (i)(III) who was not employed in the United States during any of the 5 most recently completed calendar years shall affirmatively state on the form described in subsection (c)(1)(A)(i) that no employer identification number is provided because the individual was not employed in the United States during such period.

''(C) INITIAL RESPONSE.—Not later than 10 days after an employer submits an inquiry to the System regarding an individual, the Secretary shall provide, through the System, to the employer—

''(i) if the System is able to confirm the individual's identity and eligibility for employment in the United States, a confirmation notice, including the appropriate codes on such confirmation notice; or

''(ii) if the System is unable to confirm the individual's identity or eligibility for employment in the United States, and after a secondary manual verification has been conducted, a tentative nonconfirmation notice, including the appropriate codes on such tentative nonconfirmation notice.

''(D) CONFIRMATION OR NONCONFIRMATION.—

''(i) CONFIRMATION UPON INITIAL INQUIRY.—If an employer receives a confirmation notice under paragraph (C)(i) for an individual, the employer shall record, on the form described in subsection (c)(1)(A)(i), the appropriate code provided in such notice.

''(ii) TENTATIVE NONCONFIRMATION.—If an employer receives a tentative nonconfirmation notice under paragraph (C)(ii) for an individual, the employer shall inform such individual of the issuance of such notice in writing, on a form prescribed by the Secretary not later than 3 days after receiving such notice. Such individual shall acknowledge receipt of such notice in writing on the form described in subsection (c)(1)(A)(i).

''(iii) NO CONTEST.—If the individual does not contest the tentative nonconfirmation notice within 10 days of receiving notice from the individual's employer, the notice shall become final and the employer shall record on the form described in subsection (1)(A)(i), the appropriate code provided through the System to indicate the individual did not contest the tentative nonconfirmation. An individual's failure to contest a tentative nonconfirmation shall not be considered an admission of guilt with respect to any violation of this Act or any other provision of law.

''(iv) CONTEST.—If the individual contests the tentative nonconfirmation notice, the individual shall submit appropriate information to contest such notice under the procedures established in subparagraph (E)(iii) not later than 10 days after receiving the notice from the individual's employer.

''(v) EFFECTIVE PERIOD OF TENTATIVE NONCONFIRMATION NOTICE.—A tentative nonconfirmation notice shall remain in effect until such notice becomes final under clause (iii), or the earlier of—

''(I) a final confirmation notice or final nonconfirmation notice is issued through the System; or

''(II) 30 days after the individual contests a tentative nonconfirmation under clause (iv).

''(vi) AUTOMATIC FINAL NOTICE.—

''(I) IN GENERAL.—If a final notice is not issued within the 30-day period described in clause (v)(II), the Secretary shall automatically provide to the employer, through the System, the appropriate code indicating a final notice.

''(II) PERIOD PRIOR TO INITIAL CERTIFICATION.—During the period beginning on the date of the enactment of the Fair Minimum Wage Act of 2007 and ending on the date the Secretary submits the initial report described in subparagraph (E)(ii), an automatic notice issued under subclause (I) shall be a final confirmation notice.

''(III) PERIOD AFTER INITIAL CERTIFICATION.—After the date that the Secretary submits the initial report described in subparagraph (E)(ii), an automatic notice issued under subclause (I) shall be a final confirmation notice unless the most recent such report includes a certification that the System is able to correctly issue, within the period beginning on the date an employer submits an inquiry to the System and ending on the date an automatic default notice would be issued by the System, a final notice in at least 99 percent of the cases in which the notice relates to an individual who is eligible for employment in the United States. If the most recent such report includes such a certification, the automatic notice issued under subclause (I) shall be a final nonconfirmation notice.

''(IV) ADDITIONAL AUTHORITY.—Notwithstanding the second sentence of subclause (III), the Secretary shall have the authority to issue a final confirmation notice for an individual who would be subject to a final nonconfirmation notice under such sentence. In such a case, the Secretary shall determine the individual's eligibility for employment in the United States and record the results of such determination in the System within 12 months.

''(vii) EFFECTIVE PERIOD OF FINAL NOTICE.—A final confirmation notice issued under this paragraph for an individual shall remain in effect—

''(I) during any continuous period of employment of such individual by such employer, unless the Secretary determines the final confirmation was the result of identity fraud; or

''(II) in the case of an alien authorized to be employed in the United States for a temporary period, during such period.

''(viii) PROHIBITION ON TERMINATION.—An employer may not terminate the employment of an individual based on a tentative

nonconfirmation notice until such notice becomes final under clause (iii) or a final nonconfirmation notice is issued for the individual by the System. Nothing in this clause shall prohibit the termination of employment for any reason other than such tentative nonconfirmation.

''(ix) RECORDING OF CONTEST RESOLUTION.—The employer shall record on the form described in subsection (c)(1)(A)(i) the appropriate code that is provided through the System to indicate a final confirmation notice or final nonconfirmation notice.

''(x) CONSEQUENCES OF NONCONFIRMATION.—If the employer has received a final nonconfirmation regarding an individual, the employer shall terminate the employment, recruitment, or referral of the individual. Such employer shall provide to the Secretary any information relating to the individual that the Secretary determines would assist the Secretary in enforcing or administering the immigration laws. If the employer continues to employ, recruit, or refer the individual after receiving final nonconfirmation, a rebuttable presumption is created that the employer has violated subsections (a)(1)(A) and (a)(2). Such presumption may not apply to a prosecution under subsection (f)(1).

''(E) RESPONSIBILITIES OF THE SECRETARY.—

''(i) IN GENERAL.—The Secretary shall establish a reliable, secure method to provide through the System, within the time periods required by this subsection—

''(I) a determination of whether the name and alien identification or authorization number provided in an inquiry by an employer is consistent with such information maintained by the Secretary in order to confirm the validity of the information provided; and

''(II) a determination of whether the individual is authorized to be employed in the United States.

''(ii) ANNUAL REPORT AND CERTIFICATION.—Not later than the date that is 24 months after the date that not less than $400,000,000 have been appropriated and made available to the Secretary to implement this subsection, and annually thereafter, the Secretary shall submit to Congress a report that includes—

''(I) an assessment of whether the System is able to correctly issue, within the period described in subparagraph (D)(v)(II), a final notice in at least 99 percent of the cases in which the final notice relates to an individual who is eligible for employment in the United States (excluding an individual who fails to contest a tentative nonconfirmation notice); and

''(II) if the assessment under subclause (I) is that the System is able to correctly issue within the specified time period a final notice in at least 99 percent of the cases described in such subclause, a certification of such assessment.

''(iii) CONTEST AND SELF-VERIFICATION.—The Secretary in consultation with the Commissioner of Social Security, shall establish procedures to permit an individual who contests a tentative or final nonconfirmation notice, or seeks to verify the individual's own employment eligibility prior to obtaining or changing employment, to contact the appropriate agency and, in a timely manner, correct or update the information used by the System.

''(iv) INFORMATION TO EMPLOYEE.—The Secretary shall develop a written form for employers to provide to individuals who receive a tentative or final nonconfirmation notice. Such form shall be made available in a language other than English, as necessary and reasonable, and shall include—

''(I) information about the reason for such notice;

''(II) the right to contest such notice;

''(III) contact information for the appropriate agency and instructions for initiating such contest; and

''(IV) a 24-hour toll-free telephone number to respond to inquiries related to such notice.

''(v) TRAINING MATERIALS.—The Secretary shall make available or provide to the employer, upon request, not later than 60 days prior to such employer's participation in the System, appropriate training materials to facilitate compliance with this subsection, and sections 274B(a)(7) and 274C(a).

''(F) RESPONSIBILITIES OF THE COMMISSIONER OF SOCIAL SECURITY.—The responsibilities of the Commissioner of Social Security with respect to the System are set out in section 205(c)(2) of the Social Security Act.

''(9) PROTECTION FROM LIABILITY.—No employer that participates in the System shall be liable under any law for any employment-related action taken with respect to an individual in good faith reliance on information provided by the System.

''(10) ADMINISTRATIVE REVIEW.—

''(A) IN GENERAL.—An individual who is terminated from employment as a result of a final nonconfirmation notice may, not later than 60 days after the date of such termination, file an appeal of such notice.

''(B) PROCEDURES.—The Secretary and Commissioner of Social Security shall develop procedures to review appeals filed under subparagraph (A) and to make final determinations on such appeals.

''(C) REVIEW FOR ERRORS.—If a final determination on an appeal filed under subparagraph (A) results in a confirmation of an individual's eligibility to work in the United States, the administrative review process shall require the Secretary to determine if the final nonconfirmation notice issued for the individual was the result of—

''(i) an error or negligence on the part of an employee or official operating or responsible for the System;

''(ii) the decision rules, processes, or procedures utilized by the System; or

''(iii) erroneous system information that was not the result of acts or omissions of the individual.

''(D) COMPENSATION FOR ERROR.—

''(i) IN GENERAL.—If the Secretary makes a determination under subparagraph (C) that the final nonconfirmation notice issued for an individual was not caused by an act or omission of the individual, the Secretary shall compensate the individual for lost wages.

''(ii) CALCULATION OF LOST WAGES.—Lost wages shall be calculated based on the wage rate and work schedule that prevailed prior to termination. The individual shall be compensated for wages lost beginning on the first scheduled work day after employment was terminated and ending 180 days after completion of the administrative review process described in this paragraph or the day after the individual is reinstated or obtains employment elsewhere, whichever occurs first.

''(E) LIMITATION ON COMPENSATION.—For purposes of determining an individual's compensation for the loss of employment, such compensation shall not include any period in which the individual was ineligible for employment in the United States.

''(F) SOURCE OF FUNDS.—Compensation or reimbursement provided under this paragraph shall not be provided from funds appropriated in annual appropriations Acts to the Secretary for the Department of Homeland Security.

''(11) JUDICIAL REVIEW.—

''(A) IN GENERAL.—After the Secretary makes a final determination on an appeal filed by an individual under the administrative review process described in paragraph (10), the individual may obtain judicial review of such determination by a civil action commenced not later than 60 days after the date of such decision, or such further time as the Secretary may allow.

''(B) JURISDICTION.—A civil action for such judicial review shall be brought in the district court of the United States for the judicial district in which the plaintiff resides, or has a principal place of business, or, if the plaintiff does not reside or have a principal place of business within any such judicial district, in the District Court of the United States for the District of Columbia.

''(C) ANSWER.—As part of the Secretary's answer to a complaint for such judicial review, the Secretary shall file a certified copy of the administrative record compiled during the administrative review under paragraph (10), including the evidence upon which the findings and decision complained of are based. The court shall have power to enter, upon the pleadings and transcript of the record, a judgment affirming or reversing the result of that administrative review, with or without remanding the cause for a rehearing.

''(D) COMPENSATION FOR ERROR.—

''(i) IN GENERAL.—In cases in which such judicial review reverses the final determination of the Secretary made under paragraph (10), the court shall compensate the individual for lost wages.

''(ii) CALCULATION OF LOST WAGES.—Lost wages shall be calculated based on the wage rate and work scheduled that prevailed prior to termination. The individual shall be compensated for wages lost beginning on the first scheduled work day after employment was terminated and ending 180 days after completion of the judicial review described in this paragraph or the day after the individual is reinstated or obtains employment elsewhere, whichever occurs first.

''(12) LIMITATION ON COLLECTION AND USE OF DATA.—

''(A) LIMITATION ON COLLECTION OF DATA.—

''(i) IN GENERAL.—The System shall collect and maintain only the minimum data necessary to facilitate the successful operation of the System, and in no case shall the data be other than—

''(I) information necessary to register employers under paragraph (5);

''(II) information necessary to initiate and respond to inquiries or contests under paragraph (8);

''(III) information necessary to establish and enforce compliance with paragraphs (5) and (8);

''(IV) information necessary to detect and prevent employment related identity fraud; and

''(V) such other information the Secretary determines is necessary, subject to a 180 day notice and comment period in the Federal Register.

''(ii) PENALTIES.—Any officer, employee, or contractor who willfully and knowingly collects and maintains data in the System other than data described in clause (i) shall be guilty of a misdemeanor and fined not more than $1,000 for each violation.

''(B) LIMITATION ON USE OF DATA.—Whoever willfully and knowingly accesses, discloses, or uses any information obtained or maintained by the System—

''(i) for the purpose of committing identity fraud, or assisting another person in committing identity fraud, as defined in section 1028 of title 18, United States Code;

''(ii) for the purpose of unlawfully obtaining employment in the United States or unlawfully obtaining employment in the United States for any other person; or

''(iii) for any purpose other than as provided for under any provision of law;

shall be guilty of a felony and upon conviction shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both.

''(C) EXCEPTIONS.—Nothing in subparagraph (A) or (B) may be construed to limit the collection, maintenance, or use of data by the Commissioner of Internal Revenue or the Commissioner of Social Security as provided by law.

''(13) MODIFICATION AUTHORITY.—The Secretary, after notice is submitted to Congress and provided to the public in the Federal Register, is authorized to modify the requirements of this subsection with respect to completion of forms, method of storage, attestations, copying of documents, signatures, methods of transmitting information, and other operational and technical aspects to improve the efficiency, accuracy, and security of the System.

''(14) ANNUAL GAO STUDY AND REPORT.—

''(A) REQUIREMENT.—The Comptroller General of the United States shall conduct an annual study of the System.

''(B) PURPOSE.—The study shall evaluate the accuracy, efficiency, integrity, and impact of the System.

''(C) REPORT.—Not later than the date that is 24 months after the date that not less than $400,000,000 have been appropriated and made available to the Secretary to implement this subsection, and annually thereafter, the Comptroller General shall submit to Congress a report containing the findings of the study carried out under this paragraph. Each such report shall include, at a minimum, the following:

''(i) An assessment of the annual report and certification described in paragraph (8)(E)(ii).

''(ii) An assessment of System performance with respect to the rate at which individuals who are eligible for employment in the United States are correctly approved within each of the periods specified in paragraph (8), including a separate assessment of such rate for nationals and aliens.

''(iii) An assessment of the privacy and security of the System and its effects on identity fraud or the misuse of personal data.

''(iv) An assessment of the effects of the System on the employment of unauthorized aliens.

''(v) An assessment of the effects of the System, including the effects of tentative confirmations, on unfair immigration-related employment practices and employment discrimination based on national origin or citizenship status.

''(vi) An assessment of whether the Secretary and the Commissioner of Social Security have adequate resources to carry out the duties and responsibilities of this section.

''(e) COMPLIANCE.—

''(1) COMPLAINTS AND INVESTIGATIONS.—The Secretary shall establish procedures—

''(A) for individuals and entities to file complaints regarding potential violations of subsection (a);

''(B) for the investigation of such complaints that the Secretary determines are appropriate to investigate; and

''(C) for the investigation of other violations of subsection (a) that the Secretary determines is appropriate.

''(2) AUTHORITY IN INVESTIGATIONS.—

''(A) IN GENERAL.—In conducting investigations and hearings under this subsection, officers and employees of the Department of Homeland Security—

''(i) shall have reasonable access to examine evidence regarding any employer being investigated; and

''(ii) if designated by the Secretary, may compel by subpoena the attendance of witnesses and the production of evidence at any designated place in an investigation or case under this subsection.

''(B) FAILURE TO COOPERATE.—In case of refusal to obey a subpoena lawfully issued under subparagraph (A)(ii), the Secretary may request that the Attorney General apply in an appropriate district court of the United States for an order requiring compliance with such subpoena, and any failure to obey such order may be punished by such court as contempt.

''(C) DEPARTMENT OF LABOR.—The Secretary of Labor shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)) to ensure compliance with the provisions of this section.

''(3) COMPLIANCE PROCEDURES.—

''(A) PREPENALTY NOTICE.—If the Secretary has reasonable cause to believe that there has been a violation of a requirement of this section and determines that further proceedings related to such violation are warranted, the Secretary shall issue to the employer concerned a written notice of the Secretary's intention to issue a claim for a fine or other penalty. Such notice shall—

''(i) describe the violation;

''(ii) specify the laws and regulations allegedly violated;

''(iii) specify the amount of fines or other penalties to be imposed;

''(iv) disclose the material facts which establish the alleged violation; and

''(v) inform such employer that the employer shall have a reasonable opportunity to make representations as to why a claim for a monetary or other penalty should not be imposed.

''(B) REMISSION OR MITIGATION OF PENALTIES.—

''(i) REVIEW BY SECRETARY.—If the Secretary determines that such fine or other penalty was incurred erroneously, or determines the existence of such mitigating circumstances as to justify the remission or mitigation of such fine or penalty, the Secretary may remit or mitigate such fine or other penalty on the terms and conditions as the Secretary determines are reasonable and just, or order termination of any proceedings related to the notice.

''(ii) APPLICABILITY.—This subparagraph may not apply to an employer that has or is engaged in a pattern or practice of violations of paragraph (1), (2), or (3) of subsection (a) or of any other requirements of this section.

''(C) PENALTY CLAIM.—After considering evidence and representations offered by the employer, the Secretary shall determine whether there was a violation and promptly issue a written final determination setting forth the findings of fact and conclusions of law on which the determination is based and the appropriate penalty.

''(4) CIVIL PENALTIES.—

''(A) HIRING OR CONTINUING TO EMPLOY UNAUTHORIZED ALIENS.—Any employer that violates any provision of paragraph (1), (2), or (3) of subsection (a) shall pay civil penalties as follows:

''(i) Pay a civil penalty of not less than $500 and not more than $4,000 for each unauthorized alien with respect to each such violation.

''(ii) If the employer has previously been fined 1 time during the 12-month period preceding the violation under this subparagraph, pay a civil penalty of not less than $4,000 and not more than $10,000 for each unauthorized alien with respect to each such violation.

''(iii) If the employer has previously been fined more than 1 time during the 24-month period preceding the violation under this subparagraph or has failed to comply with a previously issued and final order related to any such provision, pay a civil penalty of not less than $6,000 and not more than $20,000 for each unauthorized alien with respect to each such violation.

''(B) RECORDKEEPING OR VERIFICATION PRACTICES.—Any employer that violates or fails to comply with the recordkeeping requirements of subsections (a), (c), and (d), shall pay a civil penalty as follows:

''(i) Pay a civil penalty of not less than $200 and not more than $2,000 for each such violation.

''(ii) If the employer has previously been fined 1 time during the 12-month period preceding the violation under this subparagraph, pay a civil penalty of not less than $400 and not more than $4,000 for each such violation.

''(iii) If the employer has previously been fined more than 1 time during the 24-month period preceding the violation under this subparagraph or has failed to comply with a previously issued and final order related to such requirements, pay a civil penalty of not less than $600 and not more than $6,000 for each such violation.

''(C) OTHER PENALTIES.—Notwithstanding subparagraphs (A) and (B), the Secretary may impose additional penalties for violations, including violations of cease and desist orders, specially designed compliance plans to prevent further violations, suspended fines to take effect in the event of a further violation, and in appropriate cases, the criminal penalty described in subsection (f).

''(5) JUDICIAL REVIEW.—An employer adversely affected by a final determination may, within 45 days after the date the final determination is issued, file a petition in any appropriate district court of the United States. The filing of a petition as provided in this paragraph shall stay the Secretary's determination until entry of judgment by the court. The burden shall be on the employer to show that the final determination was not supported by substantial evidence. The Secretary is authorized to require that the petitioner provide, prior to filing for review, security for payment of fines and penalties through bond or other guarantee of payment acceptable to the Secretary.

''(6) ENFORCEMENT OF ORDERS.—If an employer fails to comply with a final determination issued against that employer under this subsection, and the final determination is not subject to review as provided in paragraph (5), the Attorney General may file suit to enforce compliance with the final determination, not earlier than 46 days and not later than 180 days after the date the final determination is issued, in any appropriate district court of the United States. In any such suit, the validity and appropriateness of the final determination shall not be subject to review.

''(7) RECOVERY OF COSTS AND ATTORNEY'S FEES.—In any appeal brought under paragraph (5) or suit brought under paragraph (6) of this section the employer shall be entitled to recover from the Secretary reasonable costs and attorney's fees if such employer substantially prevails on the merits of the case. Such an award of attorney's fees may not exceed $25,000. Any such costs and attorney's fees assessed against the Secretary shall be charged against the operating expenses of the Department for the fiscal year in which the assessment is made, and may not be reimbursed from any other source.

''(f) CRIMINAL PENALTIES AND INJUNCTIONS FOR PATTERN OR PRACTICE VIOLATIONS.—

''(1) CRIMINAL PENALTY.—An employer that engages in a pattern or practice of knowing violations of subsection (a)(1)(A) or (a)(2) shall be fined not more than $20,000 for each unauthorized alien with respect to whom such a violation occurs, imprisoned for not

more than 3 years for the entire pattern or practice, or both.

''(2) ENJOINING OF PATTERN OR PRACTICE VIOLATIONS.—If the Secretary or the Attorney General has reasonable cause to believe that an employer is engaged in a pattern or practice of employment, recruitment, or referral in violation of paragraph (1)(A) or (2) of subsection (a), the Attorney General may bring a civil action in the appropriate district court of the United States requesting a permanent or temporary injunction, restraining order, or other order against the employer, as the Secretary deems necessary.

''(g) ADJUSTMENT FOR INFLATION.—All penalties and limitations on the recovery of costs and attorney's fees in this section shall be increased every 4 years beginning January 2010 to reflect the percentage increase in the consumer price index for all urban consumers (all items; U.S. city average) for the 48 month period ending with September of the year preceding the year such adjustment is made. Any adjustment under this subparagraph shall be rounded to the nearest dollar.

''(h) PROHIBITION OF INDEMNITY BONDS.—

''(1) PROHIBITION.—It is unlawful for an employer, in the hiring, recruiting, or referring for a fee, of an individual, to require the individual to post a bond or security, to pay or agree to pay an amount, or otherwise to provide a financial guarantee or indemnity, against any potential liability arising under this section relating to such hiring, recruiting, or referring of the individual.

''(2) CIVIL PENALTY.—Any employer which is determined, after notice and opportunity for mitigation of the monetary penalty under subsection (e), to have violated paragraph (1) of this subsection shall be subject to a civil penalty of $10,000 for each violation and to an administrative order requiring the return of any amounts received in violation of such paragraph to the employee or, if the employee cannot be located, to the Employer Compliance Fund established under section 286(w).

''(i) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(1) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(A) IN GENERAL.—If an employer who does not hold a Federal contract, grant, or cooperative agreement is determined by the Secretary to be a repeat violator of this section or is convicted of a crime under this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 5 years. The Secretary or the Attorney General shall advise the Administrator of General Services of such a debarment, and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 5 years.

''(B) WAIVER.—The Administrator of General Services, in consultation with the Secretary and the Attorney General, may waive operation of this subsection or may limit the duration or scope of the debarment.

''(2) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(A) IN GENERAL.—An employer who holds a Federal contract, grant, or cooperative agreement and is determined by the Secretary to be a repeat violator of this section or is convicted of a crime under this section, shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 5 years.

''(B) NOTICE TO AGENCIES.—Prior to debarring the employer under subparagraph (A), the Secretary, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 5 years.

''(C) WAIVER.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Secretary may, in lieu of debarring the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 5 years, waive operation of this subsection, limit the duration or scope of the debarment, or may refer to an appropriate lead agency the decision of whether to debar the employer, for what duration, and under what scope in accordance with the procedures and standards prescribed by the Federal Acquisition Regulation. However, any proposed debarment predicated on an administrative determination of liability for civil penalty by the Secretary or the Attorney General shall not be reviewable in any debarment proceeding. The decision of whether to debar or take alternate action under this subparagraph shall not be judicially reviewed.

''(3) SUSPENSION.—Indictments for violations of this section or adequate evidence of actions that could form the basis for debarment under this subsection shall be considered a cause for suspension under the procedures and standards for suspension prescribed by the Federal Acquisition Regulation.

''(j) MISCELLANEOUS PROVISIONS.—

''(1) DOCUMENTATION.—In providing documentation or endorsement of authorization of aliens eligible to be employed in the United States, the Secretary shall provide that any limitations with respect to the period or type of employment or employer shall be conspicuously stated on the documentation or endorsement (other than aliens lawfully admitted for permanent residence).

''(2) PREEMPTION.—The provisions of this section preempt any State or local law imposing civil or criminal sanctions (other than through licensing and similar laws) upon those who employ, or recruit or refer for a fee for employment, unauthorized aliens.

''(k) DEPOSIT OF AMOUNTS RECEIVED.—Except as otherwise specified, civil penalties collected under this section shall be deposited by the Secretary into the Employer Compliance Fund established under section 286(w).

''(l) DEFINITIONS.—In this section:

''(1) EMPLOYER.—The term 'employer' means any person or entity, including any entity of the Government of the United States, hiring, recruiting, or referring an individual for employment in the United States.

''(2) SECRETARY.—Except as otherwise provided, the term 'Secretary' means the Secretary of Homeland Security.

''(3) UNAUTHORIZED ALIEN.—The term 'unauthorized alien' means, with respect to the employment of an alien at a particular time, that the alien is not at that time either—

''(A) an alien lawfully admitted for permanent residence; or

''(B) authorized to be so employed by this Act or by the Secretary.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS.—

(A) REPEAL OF BASIC PILOT.—Sections 401, 402, 403, 404, and 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note) are repealed.

(B) REPEAL OF REPORTING REQUIREMENTS.—

(i) REPORT ON EARNINGS OF ALIENS NOT AUTHORIZED TO WORK.—Subsection (c) of section 290 of the Immigration and Nationality Act (8 U.S.C. 1360) is repealed.

(ii) REPORT ON FRAUDULENT USE OF SOCIAL SECURITY ACCOUNT NUMBERS.—Subsection (b) of section 414 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1360 note) is repealed.

(2) CONSTRUCTION.—Nothing in this subsection or in subsection (d) of section 274A of the Immigration and Nationality Act, as amended by subsection (a), may be construed to limit the authority of the Secretary of Homeland Security to allow or continue to allow the participation of employers who participated in the basic pilot program under sections 401, 402, 403, 404, and 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note) in the Electronic Employment Verification System established pursuant to such subsection (d).

(c) TECHNICAL AMENDMENTS.—

(1) DEFINITION OF UNAUTHORIZED ALIEN.—The Immigration and Nationality Act is amended in sections 218(i)(1) (8 U.S.C. 1188(i)(1)), 245(c)(8) (8 U.S.C. 1255(c)(8)), 274(a)(3)(B)(i) (8 U.S.C. 1324(a)(3)(B)(i)), and 274B(a)(1) (8 U.S.C. 1324b(a)(1)) are amended by striking ''274A(h)(3)'' and inserting ''274A''.

(2) DOCUMENT REQUIREMENTS.—Section 274B of the Immigration and Nationality Act (8 U.S.C. 1324b) is amended—

(A) in subsections (a)(6) and (g)(2)(B), by striking ''274A(b)'' and inserting ''274A(c) and (d)''; and

(B) in subsection (g)(2)(B)(ii), by striking ''274A(b)(5)'' and inserting ''274A(c)''.

(d) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Section 205(c)(2) of the Social Security Act (42 U.S.C. 405(c)(2)) is amended by adding at the end the following new subparagraphs:

''(I)(i) The Commissioner of Social Security shall, subject to the provisions of section 201(f)(2) of the Fair Minimum Wage Act of 2007, establish a reliable, secure method to provide through the Electronic Employment Verification System established pursuant to subsection (d) of section 274A of the Immigration and Nationality Act (referred to in this subparagraph as the 'System'), within the time periods required by paragraph (8) of such subsection—

''(I) a determination of whether the name, date of birth, employer identification number, and social security account number of an individual provided in an inquiry made to the System by an employer is consistent with such information maintained by the Commissioner in order to confirm the validity of the information provided;

''(II) a determination of the citizenship status associated with such name and social security account number, according to the records maintained by the Commissioner;

''(III) a determination of whether the name and number belongs to an individual who is deceased, according to the records maintained by the Commissioner;

''(IV) a determination of whether the name and number is blocked in accordance with clause (ii); and

''(V) a confirmation notice or a nonconfirmation notice described in such paragraph (8), in a manner that ensures that other information maintained by the Commissioner is not disclosed or released to employers through the System.

''(ii) The Commissioner of Social Security shall prevent the fraudulent or other misuse of a social security account number by establishing procedures under which an individual who has been assigned a social security account number may block the use of such number under the System and remove such block.

''(J) In assigning social security account numbers to aliens who are authorized to work in the United States under section 218A of the Immigration and Nationality Act, the Commissioner of Social Security shall, to

the maximum extent practicable, assign such numbers by employing the enumeration procedure administered jointly by the Commissioner, the Secretary of State, and the Secretary.''.

(e) DISCLOSURE OF CERTAIN TAXPAYER IDENTITY INFORMATION.—

(1) IN GENERAL.—Section 6103(l) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(21) DISCLOSURE OF CERTAIN TAXPAYER IDENTITY INFORMATION BY SOCIAL SECURITY ADMINISTRATION TO DEPARTMENT OF HOMELAND SECURITY.—

''(A) IN GENERAL.—From taxpayer identity information which has been disclosed to the Social Security Administration and upon written request by the Secretary of Homeland Security, the Commissioner of Social Security shall disclose directly to officers, employees, and contractors of the Department of Homeland Security the following information:

''(i) DISCLOSURE OF EMPLOYER NO-MATCH NOTICES.—Taxpayer identity information of each person who has filed an information return required by reason of section 6051 during calendar year 2006, 2007, or 2008 which contains—

''(I) more than 100 names and taxpayer identifying numbers of employees (within the meaning of such section) that did not match the records maintained by the Commissioner of Social Security, or

''(II) more than 10 names of employees (within the meaning of such section) with the same taxpayer identifying number.

''(ii) DISCLOSURE OF INFORMATION REGARDING USE OF DUPLICATE EMPLOYEE TAXPAYER IDENTIFYING INFORMATION.—Taxpayer identity information of each person who has filed an information return required by reason of section 6051 which the Commissioner of Social Security has reason to believe, based on a comparison with information submitted by the Secretary of Homeland Security, contains evidence of identity fraud due to the multiple use of the same taxpayer identifying number (assigned under section 6109) of an employee (within the meaning of section 6051).

''(iii) DISCLOSURE OF INFORMATION REGARDING NONPARTICIPATING EMPLOYERS.—Taxpayer identity information of each person who has filed an information return required by reason of section 6051 which the Commissioner of Social Security has reason to believe, based on a comparison with information submitted by the Secretary of Homeland Security, contains evidence of such person's failure to register and participate in the Electronic Employment Verification System authorized under section 274A(d) of the Immigration and Nationality Act (hereafter in this paragraph referred to as the 'System').

''(iv) DISCLOSURE OF INFORMATION REGARDING NEW EMPLOYEES OF NONPARTICIPATING EMPLOYERS.—Taxpayer identity information of all employees (within the meaning of section 6051) hired after the date a person identified in clause (iii) is required to participate in the System under section 274A(d)(2) or section 274A(d)(3)(B) of the Immigration and Nationality Act.

''(v) DISCLOSURE OF INFORMATION REGARDING EMPLOYEES OF CERTAIN DESIGNATED EMPLOYERS.—Taxpayer identity information of all employees (within the meaning of section 6051) of each person who is required to participate in the System under section 274A(d)(3)(B) of the Immigration and Nationality Act.

''(vi) DISCLOSURE OF NEW HIRE TAXPAYER IDENTITY INFORMATION.—Taxpayer identity information of each person participating in the System and taxpayer identity information of all employees (within the meaning of section 6051) of such person hired during the period beginning with the later of—

''(I) the date such person begins to participate in the System, or

''(II) the date of the request immediately preceding the most recent request under this clause,

ending with the date of the most recent request under this clause.

''(B) RESTRICTION ON DISCLOSURE.—The Commissioner of Social Security shall disclose taxpayer identity information under subparagraph (A) only for purposes of, and to the extent necessary in—

''(i) establishing and enforcing employer participation in the System,

''(ii) carrying out, including through civil administrative and civil judicial proceedings, of sections 212, 217, 235, 237, 238, 274A, 274B, and 274C of the Immigration and Nationality Act, and

''(iii) the civil operation of the Alien Terrorist Removal Court.

''(C) REIMBURSEMENT.—The Commissioner of Social Security shall prescribe a reasonable fee schedule for furnishing taxpayer identity information under this paragraph and collect such fees in advance from the Secretary of Homeland Security.

''(D) TERMINATION.—This paragraph shall not apply to any request made after the date which is 3 years after the date of the enactment of this paragraph.''.

(2) COMPLIANCE BY DHS CONTRACTORS WITH CONFIDENTIALITY SAFEGUARDS.—

(A) IN GENERAL.—Section 6103(p) of such Code is amended by adding at the end the following new paragraph:

''(9) DISCLOSURE TO DHS CONTRACTORS.—Notwithstanding any other provision of this section, no return or return information shall be disclosed to any contractor of the Department of Homeland Security unless such Department, to the satisfaction of the Secretary—

''(A) has requirements in effect which require each such contractor which would have access to returns or return information to provide safeguards (within the meaning of paragraph (4)) to protect the confidentiality of such returns or return information,

''(B) agrees to conduct an on-site review every 3 years (mid-point review in the case of contracts or agreements of less than 1 year in duration) of each contractor to determine compliance with such requirements,

''(C) submits the findings of the most recent review conducted under subparagraph (B) to the Secretary as part of the report required by paragraph (4)(E), and

''(D) certifies to the Secretary for the most recent annual period that such contractor is in compliance with all such requirements.

''The certification required by subparagraph (D) shall include the name and address of each contractor, a description of the contract or agreement with such contractor, and the duration of such contract or agreement.''.

(3) CONFORMING AMENDMENTS.—

(A) Section 6103(a)(3) of such Code is amended by striking ''or (20)'' and inserting ''(20), or (21)''.

(B) Section 6103(p)(3)(A) of such Code is amended by adding at the end the following new sentence: ''The Commissioner of Social Security shall provide to the Secretary such information as the Secretary may require in carrying out this paragraph with respect to return information inspected or disclosed under the authority of subsection (l)(21).''.

(C) Section 6103(p)(4) of such Code is amended—

(i) by striking ''or (17)'' both places it appears and inserting ''(17), or (21)'', and

(ii) by striking ''or (20)'' each place it appears and inserting ''(20), or (21)''.

(D) Section 6103(p)(8)(B) of such Code is amended by inserting ''or paragraph (9)'' after ''subparagraph (A)''.

(E) Section 7213(a)(2) of such Code is amended by striking ''or (20)'' and inserting ''(20), or (21)''.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary of Homeland Security such sums as are necessary to carry out the amendments made by this section.

(2) LIMITATION ON VERIFICATION RESPONSIBILITIES OF COMMISSIONER OF SOCIAL SECURITY.—The Commissioner of Social Security is authorized to perform activities with respect to carrying out the Commissioner's responsibilities in this title or the amendments made by this title, but only to the extent the Secretary of Homeland Security has provided, in advance, funds to cover the Commissioner's full costs in carrying out such responsibilities. In no case shall funds from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund be used to carry out such responsibilities.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), (c), and (d) shall take effect on the date that is 180 days after the date of the enactment of this Act.

(2) SUBSECTION (e).—

(A) IN GENERAL.—The amendments made by subsection (e) shall apply to disclosures made after the date of the enactment of this Act.

(B) CERTIFICATIONS.—The first certification under section 6103(p)(9)(D) of the Internal Revenue Code of 1986, as added by subsection (e)(2), shall be made with respect to calendar year 2008.

SEC. 202. EMPLOYER COMPLIANCE FUND.

Section 286 of the Immigration and Nationality Act (8 U.S.C. 1356) is amended by adding at the end the following new subsection:

''(w) EMPLOYER COMPLIANCE FUND.—

''(1) IN GENERAL.—There is established in the general fund of the Treasury, a separate account, which shall be known as the 'Employer Compliance Fund' (referred to in this subsection as the 'Fund').

''(2) DEPOSITS.—There shall be deposited as offsetting receipts into the Fund all civil monetary penalties collected by the Secretary of Homeland Security under section 274A.

''(3) PURPOSE.—Amounts refunded to the Secretary from the Fund shall be used for the purposes of enhancing and enforcing employer compliance with section 274A.

''(4) AVAILABILITY OF FUNDS.—Amounts deposited into the Fund shall remain available until expended and shall be refunded out of the Fund by the Secretary of the Treasury, at least on a quarterly basis, to the Secretary of Homeland Security.''.

SEC. 203. ADDITIONAL WORKSITE ENFORCEMENT AND FRAUD DETECTION AGENTS.

(a) INCREASE IN NUMBER OF PERSONNEL.—The Secretary of Homeland Security shall, subject to the availability of appropriations for such purpose, annually increase, by not less than 2,200, the number of personnel of the Bureau of Immigration and Customs Enforcement during the 5-year period beginning on the date of the enactment of this Act.

(b) USE OF PERSONNEL.—The Secretary of Homeland Security shall ensure that not less than 25 percent of all the hours expended by personnel of the Bureau of Immigration and Customs Enforcement shall be used to enforce compliance with sections 274A and 274C of the Immigration and Nationality Act (8 U.S.C. 1324a and 1324c).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Homeland Security for each

of the fiscal years 2008 through 2012 such sums as may be necessary to carry out this section.

SEC. 204. CLARIFICATION OF INELIGIBILITY FOR MISREPRESENTATION.

Section 212(a)(6)(C)(ii)(I) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(ii)(I)), is amended by striking ''citizen'' and inserting ''national''.

SEC. 205. ANTIDISCRIMINATION PROTECTIONS.

(a) APPLICATION OF PROHIBITION OF DISCRIMINATION TO VERIFICATION SYSTEM.—Section 274B(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1324b(a)(1)) is amended by inserting '', the verification of the individual's work authorization through the Electronic Employment Verification System described in section 274A(d),'' after ''the individual for employment''.

(b) CLASSES OF ALIENS AS PROTECTED INDIVIDUALS.—Section 274B(a)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1324b(a)(3)(B)) is amended to read as follows:

''(B) is an alien who is—

''(i) lawfully admitted for permanent residence;

''(ii) granted the status of an alien lawfully admitted for temporary residence under section 210(a) or 245(a)(1);

''(iii) admitted as a refugee under section 207;

''(iv) granted asylum under section 208;

''(v) granted the status of a nonimmigrant under section 101(a)(15)(H)(ii)(c);

''(vi) granted temporary protected status under section 244; or

''(vii) granted parole under section 212(d)(5).''.

(c) REQUIREMENTS FOR ELECTRONIC EMPLOYMENT VERIFICATION.—Section 274B(a) of the Immigration and Nationality Act (8 U.S.C. 1324b(a)) is amended by adding at the end the following:

''(7) ANTIDISCRIMINATION REQUIREMENTS OF THE ELECTRONIC EMPLOYMENT VERIFICATION SYSTEM.—It is an unfair immigration-related employment practice for a person or other entity, in the course of the electronic verification process described in section 274A(d)—

''(A) to terminate or undertake any adverse employment action due to a tentative nonconfirmation;

''(B) to use the verification system for screening of an applicant prior to an offer of employment;

''(C) except as described in section 274A(d)(3)(B), to use the verification system for a current employee after the first 3 days of employment, or for the reverification of an employee after the employee has satisfied the process described in section 274A(d); or

''(D) to require an individual to make an inquiry under the self-verification procedures established in section 274A(d)(8)(E)(iii).''.

(d) INCREASE IN CIVIL MONEY PENALTIES.—Section 274B(g)(2) of the Immigration and Nationality Act (8 U.S.C. 1324b(g)(2)) is amended—

(1) in subparagraph (B)(iv)—

(A) in subclause (I), by striking ''$250 and not more than $2,000'' and inserting ''$1,000 and not more than $4,000'';

(B) in subclause (II), by striking ''$2,000 and not more than $5,000'' and inserting ''$4,000 and not more than $10,000'';

(C) in subclause (III), by striking ''$3,000 and not more than $10,000'' and inserting ''$6,000 and not more than $20,000''; and

(D) in subclause (IV), by striking ''$100 and not more than $1,000'' and inserting ''$500 and not more than $5,000''.

(e) INCREASED FUNDING OF INFORMATION CAMPAIGN.—Section 274B(l)(3) of the Immigration and Nationality Act (8 U.S.C. 1324b(l)(3)) is amended by inserting ''and an additional $40,000,000 for each of fiscal years 2008 through 2010'' before the period at the end.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 180 days after the date of the enactment of this Act and shall apply to violations occurring on or after such date.

SA 144. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE II—UNLAWFUL EMPLOYMENT OF ALIENS

SEC. 201. UNLAWFUL EMPLOYMENT OF ALIENS.

(a) IN GENERAL.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended to read as follows:

''SEC. 274A. UNLAWFUL EMPLOYMENT OF ALIENS.

''(a) MAKING EMPLOYMENT OF UNAUTHORIZED ALIENS UNLAWFUL.—

''(1) IN GENERAL.—It is unlawful for an employer—

''(A) to hire, or to recruit or refer for a fee, an alien for employment in the United States knowing, or with reckless disregard, that the alien is an unauthorized alien with respect to such employment; or

''(B) to hire, or to recruit or refer for a fee, for employment in the United States an individual unless such employer meets the requirements of subsections (c) and (d).

''(2) CONTINUING EMPLOYMENT.—It is unlawful for an employer, after lawfully hiring an alien for employment, to continue to employ the alien in the United States knowing that the alien is (or has become) an unauthorized alien with respect to such employment.

''(3) USE OF LABOR THROUGH CONTRACT.—

''(A) IN GENERAL.—An employer who uses a contract, subcontract, or exchange to obtain the labor of an alien in the United States knowing, or with reckless disregard—

''(i) that the alien is an unauthorized alien with respect to performing such labor, shall be considered to have hired the alien in violation of paragraph (1)(A); or

''(ii) that the person hiring such alien failed to comply with the requirements of subsections (c) and (d) shall be considered to have hired the alien in violation of paragraph (1)(B).

''(B) INFORMATION SHARING.—The person hiring the alien shall provide to the employer, who obtains the labor of the alien, the employer identification number assigned to such person by the Commissioner of Internal Revenue. Failure to provide such number shall be considered a recordkeeping violation under subsection (e)(4)(B).

''(C) REPORTING REQUIREMENT.—The employer shall submit to the Electronic Verification System established under subsection (d), in a manner prescribed by the Secretary, the employer identification number provided by the person hiring the alien. Failure to submit such number shall be considered a recordkeeping violation under subsection (e)(4)(B).

''(D) ENFORCEMENT.—The Secretary shall implement procedures to utilize the information obtained under subparagraphs (B) and (C) to identify employers who use a contract, subcontract, or exchange to obtain the labor of an alien from another person, where such person hiring such alien fails to comply with the requirements of subsections (c) and (d).

''(4) DEFENSE.—

''(A) IN GENERAL.—Subject to subparagraph (B), an employer that establishes that the employer has complied in good faith with the requirements of subsections (c) and (d) has established an affirmative defense that the employer has not violated paragraph (1)(A) with respect to such hiring, recruiting, or referral.

''(B) EXCEPTION.—Until the date that an employer is required to participate in the Electronic Employment Verification System under subsection (d) or is participating in such System on a voluntary basis, the employer may establish an affirmative defense under subparagraph (A) by complying with the requirements of subsection (c).

''(b) ORDER OF INTERNAL REVIEW AND CERTIFICATION OF COMPLIANCE.—

''(1) AUTHORITY TO REQUIRE CERTIFICATION.—If the Secretary has reasonable cause to believe that an employer has failed to comply with this section, the Secretary is authorized, at any time, to require that the employer certify that the employer is in compliance with this section, or has instituted a program to come into compliance.

''(2) CONTENT OF CERTIFICATION.—Not later than 60 days after the date an employer receives a request for a certification under paragraph (1) the employer shall certify under penalty of perjury that—

''(A) the employer is in compliance with the requirements of subsections (c) and (d); or

''(B) that the employer has instituted a program to come into compliance with such requirements.

''(3) EXTENSION.—The 60-day period referred to in paragraph (2), may be extended by the Secretary for good cause, at the request of the employer.

''(4) PUBLICATION.—The Secretary is authorized to publish in the Federal Register standards or methods for certification under paragraph (1) and for specific recordkeeping practices with respect to such certification, and procedures for the audit of any records related to such certification.

''(c) DOCUMENT VERIFICATION REQUIREMENTS.—An employer hiring, or recruiting or referring for a fee, an individual for employment in the United States shall verify that the individual is eligible for such employment by meeting the following requirements:

''(1) ATTESTATION BY EMPLOYER.—

''(A) REQUIREMENTS.—

''(i) IN GENERAL.—The employer shall attest, under penalty of perjury and on a form prescribed by the Secretary, that the employer has verified the identity and eligibility for employment of the individual by examining a document described in subparagraph (B).

''(ii) SIGNATURE REQUIREMENTS.—An attestation required by clause (i) may be manifested by a handwritten or electronic signature.

''(iii) STANDARDS FOR EXAMINATION.—The employer has complied with the requirement of this paragraph with respect to examination of documentation if a reasonable person would conclude that the document examined is genuine and relates to the individual whose identity and eligibility for employment in the United States is being verified. If the individual provides a document sufficient to meet the requirements of this paragraph, nothing in this paragraph shall be construed as requiring an employer to solicit any other document or as requiring the individual to produce any other document.

''(B) IDENTIFICATION DOCUMENTS.—A document described in this subparagraph is—

''(i) in the case of an individual who is a national of the United States—

''(I) a United States passport; or

''(II) a driver's license or identity card issued by a State, the Commonwealth of the Northern Mariana Islands, or an outlying

possession of the United States that satisfies the requirements of division B of Public Law 109–13 (119 Stat. 302);

''(ii) in the case of an alien lawfully admitted for permanent residence in the United States, a permanent resident card, as specified by the Secretary;

''(iii) in the case of an alien who is authorized under this Act or by the Secretary to be employed in the United States, an employment authorization card, as specified by the Secretary that—

''(I) contains a photograph of the individual or other identifying information, including name, date of birth, gender, and address; and

''(II) contains security features to make the document resistant to tampering, counterfeiting, and fraudulent use;

''(iv) in the case of an individual who is unable to obtain a document described in clause (i), (ii), or (iii), a document designated by the Secretary that—

''(I) contains a photograph of the individual or other identifying information, including name, date of birth, gender, and address; and

''(II) contains security features to make the document resistant to tampering, counterfeiting, and fraudulent use; or

''(v) until the date that an employer is required to participate in the Electronic Employment Verification System under subsection (d) or is participating in such System on a voluntary basis, a document, or a combination of documents, of such type that, as of the date of the enactment of the Fair Minimum Wage Act of 2007, the Secretary had established by regulation were sufficient for purposes of this section.

''(C) AUTHORITY TO PROHIBIT USE OF CERTAIN DOCUMENTS.—

''(i) AUTHORITY.—If the Secretary finds that a document or class of documents described in subparagraph (B) is not reliable to establish identity or is being used fraudulently to an unacceptable degree, the Secretary shall prohibit, or impose conditions, on the use of such document or class of documents for purposes of this subsection.

''(ii) REQUIREMENT FOR PUBLICATION.—The Secretary shall publish notice of any findings under clause (i) in the Federal Register.

''(2) ATTESTATION OF EMPLOYEE.—

''(A) REQUIREMENTS.—

''(i) IN GENERAL.—The individual shall attest, under penalty of perjury on the form described in paragraph (1)(A)(i), that the individual is a national of the United States, an alien lawfully admitted for permanent residence, or an alien who is authorized under this Act or by the Secretary to be hired, or to be recruited or referred for a fee, in the United States.

''(ii) SIGNATURE FOR EXAMINATION.—An attestation required by clause (i) may be manifested by a handwritten or electronic signature.

''(B) PENALTIES.—An individual who falsely represents that the individual is eligible for employment in the United States in an attestation required by subparagraph (A) shall, for each such violation, be subject to a fine of not more than $5,000, a term of imprisonment not to exceed 3 years, or both.

''(3) RETENTION OF ATTESTATION.—The employer shall retain a paper, microfiche, microfilm, or electronic version of the attestations made under paragraph (1) and (2) and make such attestations available for inspection by an officer of the Department of Homeland Security, any other person designated by the Secretary, the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice, or the Secretary of Labor during a period beginning on the date of the hiring, or recruiting or referring for a fee, of the individual and ending—

''(A) in the case of the recruiting or referral for a fee (without hiring) of an individual, 5 years after the date of the recruiting or referral; or

''(B) in the case of the hiring of an individual the later of—

''(i) 5 years after the date of such hiring;

''(ii) 1 year after the date the individual's employment is terminated; or

''(iii) in the case of an employer or class of employers, a period that is less than the applicable period described in clause (i) or (ii) if the Secretary reduces such period for such employer or class of employers.

''(4) DOCUMENT RETENTION AND RECORDKEEPING REQUIREMENTS.—

''(A) RETENTION OF DOCUMENTS.—Notwithstanding any other provision of law, an employer shall retain, for the applicable period described in paragraph (3), the following documents:

''(i) IN GENERAL.—The employer shall copy all documents presented by an individual described in paragraph (1)(B) and shall retain paper, microfiche, microfilm, or electronic copies of such documents. Such copies shall be designated as copied documents.

''(ii) OTHER DOCUMENTS.—The employer shall maintain records of any action taken and copies of any correspondence written or received with respect to the verification of an individual's identity or eligibility for employment in the United States.

''(B) USE OF RETAINED DOCUMENTS.—An employer shall use copies retained under clause (i) or (ii) of subparagraph (A) only for the purposes of complying with the requirements of this subsection, except as otherwise permitted under law.

''(5) PENALTIES.—An employer that fails to comply with the recordkeeping requirements of this subsection shall be subject to the penalties described in subsection (e)(4)(B).

''(6) NO AUTHORIZATION OF NATIONAL IDENTIFICATION CARDS.—Nothing in this section may be construed to authorize, directly or indirectly, the issuance, use, or establishment of a national identification card.

''(d) ELECTRONIC EMPLOYMENT VERIFICATION SYSTEM.—

''(1) REQUIREMENT FOR SYSTEM.—The Secretary, in cooperation with the Commissioner of Social Security, shall implement an Electronic Employment Verification System (referred to in this subsection as the 'System') to determine whether—

''(A) the identifying information submitted by an individual is consistent with the information maintained by the Secretary or the Commissioner of Social Security; and

''(B) such individual is eligible for employment in the United States.

''(2) REQUIREMENT FOR PARTICIPATION.—The Secretary shall require all employers in the United States to participate in the System, with respect to all employees hired by the employer on or after the date that is 18 months after the date that not less than $400,000,000 have been appropriated and made available to implement this subsection.

''(3) OTHER PARTICIPATION IN SYSTEM.—Notwithstanding paragraph (2), the Secretary has the authority—

''(A) to permit any employer that is not required to participate in the System under paragraph (2) to participate in the System on a voluntary basis; and

''(B) to require any employer or class of employers to participate on a priority basis in the System with respect to individuals employed as of, or hired after, the date of enactment of the Fair Minimum Wage Act of 2007—

''(i) if the Secretary designates such employer or class of employers as a critical employer based on an assessment of homeland security or national security needs; or

''(ii) if the Secretary has reasonable cause to believe that the employer has engaged in material violations of paragraph (1), (2), or (3) of subsection (a).

''(4) REQUIREMENT TO NOTIFY.—The Secretary shall notify the employer or class of employers in writing regarding the requirement for participation in the System under paragraph (3)(B) not less than 60 days prior to the effective date of such requirement. Such notice shall include the training materials described in paragraph (8)(E)(v).

''(5) REGISTRATION OF EMPLOYERS.—An employer shall register the employer's participation in the System in the manner prescribed by the Secretary prior to the date the employer is required or permitted to submit information with respect to an employee under this subsection.

''(6) ADDITIONAL GUIDANCE.—A registered employer shall be permitted to utilize any technology that is consistent with this section and with any regulation or guidance from the Secretary to streamline the procedures to facilitate compliance with—

''(A) the attestation requirement in subsection (c); and

''(B) the employment eligibility verification requirements in this subsection.

''(7) CONSEQUENCE OF FAILURE TO PARTICIPATE.—If an employer is required to participate in the System and fails to comply with the requirements of the System with respect to an employee—

''(A) such failure shall be treated as a violation of subsection (a)(1)(B); and

''(B) a rebuttable presumption is created that the employer has violated subsection (a)(1)(A), however, such presumption may not apply to a prosecution under subsection (f)(1).

''(8) DESIGN AND OPERATION OF SYSTEM.—

''(A) IN GENERAL.—The Secretary shall, through the System—

''(i) respond to each inquiry made by a registered employer through the Internet or other electronic media, or over a toll-free telephone line regarding an individual's identity and eligibility for employment in the United States; and

''(ii) maintain a record of each such inquiry and the information provided in response to such inquiry.

''(B) INITIAL INQUIRY.—

''(i) INFORMATION REQUIRED.—A registered employer shall, with respect to the hiring, or recruiting or referring for a fee, any individual for employment in the United States, obtain from the individual and record on the form described in subsection (c)(1)(A)(i)—

''(I) the individual's name and date of birth and, if the individual was born in the United States, the State in which such individual was born;

''(II) the individual's social security account number;

''(III) the employment identification number of the individual's employer during any one of the 5 most recently completed calendar years; and

''(IV) in the case of an individual who does not attest that the individual is a national of the United States under subsection (c)(1)(A)(i), such alien identification or authorization number that the Secretary shall require.

''(ii) SUBMISSION TO SYSTEM.—A registered employer shall submit an inquiry through the System to seek confirmation of the individual's identity and eligibility for employment in the United States—

''(I) not later than 3 days after the date of the hiring, or recruiting or referring for a fee, of the individual (as the case may be); or

''(II) in the case of an employee hired by a critical employer designated by the Secretary under paragraph (3)(B) at such time as the Secretary shall specify.

''(iii) EIN REQUIREMENTS.—

''(I) REQUIREMENT TO PROVIDE.—An employer shall provide the employer identification number issued to such employer to the individual, upon request, for purposes of providing the information under clause (i)(III).

''(II) REQUIREMENT TO AFFIRMATIVELY STATE A LACK OF RECENT EMPLOYMENT.—An individual providing information under clause (i)(III) who was not employed in the United States during any of the 5 most recently completed calendar years shall affirmatively state on the form described in subsection (c)(1)(A)(i) that no employer identification number is provided because the individual was not employed in the United States during such period.

''(C) INITIAL RESPONSE.—Not later than 10 days after an employer submits an inquiry to the System regarding an individual, the Secretary shall provide, through the System, to the employer—

''(i) if the System is able to confirm the individual's identity and eligibility for employment in the United States, a confirmation notice, including the appropriate codes on such confirmation notice; or

''(ii) if the System is unable to confirm the individual's identity or eligibility for employment in the United States, and after a secondary manual verification has been conducted, a tentative nonconfirmation notice, including the appropriate codes on such tentative nonconfirmation notice.

''(D) CONFIRMATION OR NONCONFIRMATION.—

''(i) CONFIRMATION UPON INITIAL INQUIRY.—If an employer receives a confirmation notice under paragraph (C)(i) for an individual, the employer shall record, on the form described in subsection (c)(1)(A)(i), the appropriate code provided in such notice.

''(ii) TENTATIVE NONCONFIRMATION.—If an employer receives a tentative nonconfirmation notice under paragraph (C)(ii) for an individual, the employer shall inform such individual of the issuance of such notice in writing, on a form prescribed by the Secretary not later than 3 days after receiving such notice. Such individual shall acknowledge receipt of such notice in writing on the form described in subsection (c)(1)(A)(i).

''(iii) NO CONTEST.—If the individual does not contest the tentative nonconfirmation notice within 10 days of receiving notice from the individual's employer, the notice shall become final and the employer shall record on the form described in subsection (1)(A)(i), the appropriate code provided through the System to indicate the individual did not contest the tentative nonconfirmation. An individual's failure to contest a tentative nonconfirmation shall not be considered an admission of guilt with respect to any violation of this Act or any other provision of law.

''(iv) CONTEST.—If the individual contests the tentative nonconfirmation notice, the individual shall submit appropriate information to contest such notice under the procedures established in subparagraph (E)(iii) not later than 10 days after receiving the notice from the individual's employer.

''(v) EFFECTIVE PERIOD OF TENTATIVE NONCONFIRMATION NOTICE.—A tentative nonconfirmation notice shall remain in effect until such notice becomes final under clause (iii), or the earlier of—

''(I) a final confirmation notice or final nonconfirmation notice is issued through the System; or

''(II) 30 days after the individual contests a tentative nonconfirmation under clause (iv).

''(vi) AUTOMATIC FINAL NOTICE.—

''(I) IN GENERAL.—If a final notice is not issued within the 30-day period described in clause (v)(II), the Secretary shall automatically provide to the employer, through the System, the appropriate code indicating a final notice.

''(II) PERIOD PRIOR TO INITIAL CERTIFICATION.—During the period beginning on the date of the enactment of the Fair Minimum Wage Act of 2007 and ending on the date the Secretary submits the initial report described in subparagraph (E)(ii), an automatic notice issued under subclause (I) shall be a final confirmation notice.

''(III) PERIOD AFTER INITIAL CERTIFICATION.—After the date that the Secretary submits the initial report described in subparagraph (E)(ii), an automatic notice issued under subclause (I) shall be a final confirmation notice unless the most recent such report includes a certification that the System is able to correctly issue, within the period beginning on the date an employer submits an inquiry to the System and ending on the date an automatic default notice would be issued by the System, a final notice in at least 99 percent of the cases in which the notice relates to an individual who is eligible for employment in the United States. If the most recent such report includes such a certification, the automatic notice issued under subclause (I) shall be a final nonconfirmation notice.

''(IV) ADDITIONAL AUTHORITY.—Notwithstanding the second sentence of subclause (III), the Secretary shall have the authority to issue a final confirmation notice for an individual who would be subject to a final nonconfirmation notice under such sentence. In such a case, the Secretary shall determine the individual's eligibility for employment in the United States and record the results of such determination in the System within 12 months.

''(vii) EFFECTIVE PERIOD OF FINAL NOTICE.—A final confirmation notice issued under this paragraph for an individual shall remain in effect—

''(I) during any continuous period of employment of such individual by such employer, unless the Secretary determines the final confirmation was the result of identity fraud; or

''(II) in the case of an alien authorized to be employed in the United States for a temporary period, during such period.

''(viii) PROHIBITION ON TERMINATION.—An employer may not terminate the employment of an individual based on a tentative nonconfirmation notice until such notice becomes final under clause (iii) or a final nonconfirmation notice is issued for the individual by the System. Nothing in this clause shall prohibit the termination of employment for any reason other than such tentative nonconfirmation.

''(ix) RECORDING OF CONTEST RESOLUTION.—The employer shall record on the form described in subsection (c)(1)(A)(i) the appropriate code that is provided through the System to indicate a final confirmation notice or final nonconfirmation notice.

''(x) CONSEQUENCES OF NONCONFIRMATION.—If the employer has received a final nonconfirmation regarding an individual, the employer shall terminate the employment, recruitment, or referral of the individual. Such employer shall provide to the Secretary any information relating to the individual that the Secretary determines would assist the Secretary in enforcing or administering the immigration laws. If the employer continues to employ, recruit, or refer the individual after receiving final nonconfirmation, a rebuttable presumption is created that the employer has violated subsections (a)(1)(A) and (a)(2). Such presumption may not apply to a prosecution under subsection (f)(1).

''(E) RESPONSIBILITIES OF THE SECRETARY.—

''(i) IN GENERAL.—The Secretary shall establish a reliable, secure method to provide through the System, within the time periods required by this subsection—

''(I) a determination of whether the name and alien identification or authorization number provided in an inquiry by an employer is consistent with such information maintained by the Secretary in order to confirm the validity of the information provided; and

''(II) a determination of whether the individual is authorized to be employed in the United States.

''(ii) ANNUAL REPORT AND CERTIFICATION.—Not later than the date that is 24 months after the date that not less than $400,000,000 have been appropriated and made available to the Secretary to implement this subsection, and annually thereafter, the Secretary shall submit to Congress a report that includes—

''(I) an assessment of whether the System is able to correctly issue, within the period described in subparagraph (D)(v)(II), a final notice in at least 99 percent of the cases in which the final notice relates to an individual who is eligible for employment in the United States (excluding an individual who fails to contest a tentative nonconfirmation notice); and

''(II) if the assessment under subclause (I) is that the System is able to correctly issue within the specified time period a final notice in at least 99 percent of the cases described in such subclause, a certification of such assessment.

''(iii) CONTEST AND SELF-VERIFICATION.—The Secretary in consultation with the Commissioner of Social Security, shall establish procedures to permit an individual who contests a tentative or final nonconfirmation notice, or seeks to verify the individual's own employment eligibility prior to obtaining or changing employment, to contact the appropriate agency and, in a timely manner, correct or update the information used by the System.

''(iv) INFORMATION TO EMPLOYEE.—The Secretary shall develop a written form for employers to provide to individuals who receive a tentative or final nonconfirmation notice. Such form shall be made available in a language other than English, as necessary and reasonable, and shall include—

''(I) information about the reason for such notice;

''(II) the right to contest such notice;

''(III) contact information for the appropriate agency and instructions for initiating such contest; and

''(IV) a 24-hour toll-free telephone number to respond to inquiries related to such notice.

''(v) TRAINING MATERIALS.—The Secretary shall make available or provide to the employer, upon request, not later than 60 days prior to such employer's participation in the System, appropriate training materials to facilitate compliance with this subsection, and sections 274B(a)(7) and 274C(a).

''(F) RESPONSIBILITIES OF THE COMMISSIONER OF SOCIAL SECURITY.—The responsibilities of the Commissioner of Social Security with respect to the System are set out in section 205(c)(2) of the Social Security Act.

''(9) PROTECTION FROM LIABILITY.—No employer that participates in the System shall be liable under any law for any employment-related action taken with respect to an individual in good faith reliance on information provided by the System.

''(10) ADMINISTRATIVE REVIEW.—

''(A) IN GENERAL.—An individual who is terminated from employment as a result of a final nonconfirmation notice may, not later

than 60 days after the date of such termination, file an appeal of such notice.

''(B) PROCEDURES.—The Secretary and Commissioner of Social Security shall develop procedures to review appeals filed under subparagraph (A) and to make final determinations on such appeals.

''(C) REVIEW FOR ERRORS.—If a final determination on an appeal filed under subparagraph (A) results in a confirmation of an individual's eligibility to work in the United States, the administrative review process shall require the Secretary to determine if the final nonconfirmation notice issued for the individual was the result of—

''(i) an error or negligence on the part of an employee or official operating or responsible for the System;

''(ii) the decision rules, processes, or procedures utilized by the System; or

''(iii) erroneous system information that was not the result of acts or omissions of the individual.

''(D) COMPENSATION FOR ERROR.—

''(i) IN GENERAL.—If the Secretary makes a determination under subparagraph (C) that the final nonconfirmation notice issued for an individual was not caused by an act or omission of the individual, the Secretary shall compensate the individual for lost wages.

''(ii) CALCULATION OF LOST WAGES.—Lost wages shall be calculated based on the wage rate and work schedule that prevailed prior to termination. The individual shall be compensated for wages lost beginning on the first scheduled work day after employment was terminated and ending 180 days after completion of the administrative review process described in this paragraph or the day after the individual is reinstated or obtains employment elsewhere, whichever occurs first.

''(E) LIMITATION ON COMPENSATION.—For purposes of determining an individual's compensation for the loss of employment, such compensation shall not include any period in which the individual was ineligible for employment in the United States.

''(F) SOURCE OF FUNDS.—Compensation or reimbursement provided under this paragraph shall not be provided from funds appropriated in annual appropriations Acts to the Secretary for the Department of Homeland Security.

''(11) JUDICIAL REVIEW.—

''(A) IN GENERAL.—After the Secretary makes a final determination on an appeal filed by an individual under the administrative review process described in paragraph (10), the individual may obtain judicial review of such determination by a civil action commenced not later than 60 days after the date of such decision, or such further time as the Secretary may allow.

''(B) JURISDICTION.—A civil action for such judicial review shall be brought in the district court of the United States for the judicial district in which the plaintiff resides, or has a principal place of business, or, if the plaintiff does not reside or have a principal place of business within any such judicial district, in the District Court of the United States for the District of Columbia.

''(C) ANSWER.—As part of the Secretary's answer to a complaint for such judicial review, the Secretary shall file a certified copy of the administrative record compiled during the administrative review under paragraph (10), including the evidence upon which the findings and decision complained of are based. The court shall have power to enter, upon the pleadings and transcript of the record, a judgment affirming or reversing the result of that administrative review, with or without remanding the cause for a rehearing.

''(D) COMPENSATION FOR ERROR.—

''(i) IN GENERAL.—In cases in which such judicial review reverses the final determination of the Secretary made under paragraph (10), the court shall compensate the individual for lost wages.

''(ii) CALCULATION OF LOST WAGES.—Lost wages shall be calculated based on the wage rate and work scheduled that prevailed prior to termination. The individual shall be compensated for wages lost beginning on the first scheduled work day after employment was terminated and ending 180 days after completion of the judicial review described in this paragraph or the day after the individual is reinstated or obtains employment elsewhere, whichever occurs first.

''(12) LIMITATION ON COLLECTION AND USE OF DATA.—

''(A) LIMITATION ON COLLECTION OF DATA.—

''(i) IN GENERAL.—The System shall collect and maintain only the minimum data necessary to facilitate the successful operation of the System, and in no case shall the data be other than—

''(I) information necessary to register employers under paragraph (5);

''(II) information necessary to initiate and respond to inquiries or contests under paragraph (8);

''(III) information necessary to establish and enforce compliance with paragraphs (5) and (8);

''(IV) information necessary to detect and prevent employment related identity fraud; and

''(V) such other information the Secretary determines is necessary, subject to a 180 day notice and comment period in the Federal Register.

''(ii) PENALTIES.—Any officer, employee, or contractor who willfully and knowingly collects and maintains data in the System other than data described in clause (i) shall be guilty of a misdemeanor and fined not more than $1,000 for each violation.

''(B) LIMITATION ON USE OF DATA.—Whoever willfully and knowingly accesses, discloses, or uses any information obtained or maintained by the System—

''(i) for the purpose of committing identity fraud, or assisting another person in committing identity fraud, as defined in section 1028 of title 18, United States Code;

''(ii) for the purpose of unlawfully obtaining employment in the United States or unlawfully obtaining employment in the United States for any other person; or

''(iii) for any purpose other than as provided for under any provision of law;

shall be guilty of a felony and upon conviction shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both.

''(C) EXCEPTIONS.—Nothing in subparagraph (A) or (B) may be construed to limit the collection, maintenance, or use of data by the Commissioner of Internal Revenue or the Commissioner of Social Security as provided by law.

''(13) MODIFICATION AUTHORITY.—The Secretary, after notice is submitted to Congress and provided to the public in the Federal Register, is authorized to modify the requirements of this subsection with respect to completion of forms, method of storage, attestations, copying of documents, signatures, methods of transmitting information, and other operational and technical aspects to improve the efficiency, accuracy, and security of the System.

''(14) ANNUAL GAO STUDY AND REPORT.—

''(A) REQUIREMENT.—The Comptroller General of the United States shall conduct an annual study of the System.

''(B) PURPOSE.—The study shall evaluate the accuracy, efficiency, integrity, and impact of the System.

''(C) REPORT.—Not later than the date that is 24 months after the date that not less than $400,000,000 have been appropriated and made available to the Secretary to implement this subsection, and annually thereafter, the Comptroller General shall submit to Congress a report containing the findings of the study carried out under this paragraph. Each such report shall include, at a minimum, the following:

''(i) An assessment of the annual report and certification described in paragraph (8)(E)(ii).

''(ii) An assessment of System performance with respect to the rate at which individuals who are eligible for employment in the United States are correctly approved within each of the periods specified in paragraph (8), including a separate assessment of such rate for nationals and aliens.

''(iii) An assessment of the privacy and security of the System and its effects on identity fraud or the misuse of personal data.

''(iv) An assessment of the effects of the System on the employment of unauthorized aliens.

''(v) An assessment of the effects of the System, including the effects of tentative confirmations, on unfair immigration-related employment practices and employment discrimination based on national origin or citizenship status.

''(vi) An assessment of whether the Secretary and the Commissioner of Social Security have adequate resources to carry out the duties and responsibilities of this section.

''(e) COMPLIANCE.—

''(1) COMPLAINTS AND INVESTIGATIONS.—The Secretary shall establish procedures—

''(A) for individuals and entities to file complaints regarding potential violations of subsection (a);

''(B) for the investigation of such complaints that the Secretary determines are appropriate to investigate; and

''(C) for the investigation of other violations of subsection (a) that the Secretary determines is appropriate.

''(2) AUTHORITY IN INVESTIGATIONS.—

''(A) IN GENERAL.—In conducting investigations and hearings under this subsection, officers and employees of the Department of Homeland Security—

''(i) shall have reasonable access to examine evidence regarding any employer being investigated; and

''(ii) if designated by the Secretary, may compel by subpoena the attendance of witnesses and the production of evidence at any designated place in an investigation or case under this subsection.

''(B) FAILURE TO COOPERATE.—In case of refusal to obey a subpoena lawfully issued under subparagraph (A)(ii), the Secretary may request that the Attorney General apply in an appropriate district court of the United States for an order requiring compliance with such subpoena, and any failure to obey such order may be punished by such court as contempt.

''(C) DEPARTMENT OF LABOR.—The Secretary of Labor shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)) to ensure compliance with the provisions of this section.

''(3) COMPLIANCE PROCEDURES.—

''(A) PREPENALTY NOTICE.—If the Secretary has reasonable cause to believe that there has been a violation of a requirement of this section and determines that further proceedings related to such violation are warranted, the Secretary shall issue to the employer concerned a written notice of the Secretary's intention to issue a claim for a fine or other penalty. Such notice shall—

''(i) describe the violation;

''(ii) specify the laws and regulations allegedly violated;

''(iii) specify the amount of fines or other penalties to be imposed;

''(iv) disclose the material facts which establish the alleged violation; and

''(v) inform such employer that the employer shall have a reasonable opportunity to make representations as to why a claim for a monetary or other penalty should not be imposed.

''(B) REMISSION OR MITIGATION OF PENALTIES.—

''(i) REVIEW BY SECRETARY.—If the Secretary determines that such fine or other penalty was incurred erroneously, or determines the existence of such mitigating circumstances as to justify the remission or mitigation of such fine or penalty, the Secretary may remit or mitigate such fine or other penalty on the terms and conditions as the Secretary determines are reasonable and just, or order termination of any proceedings related to the notice.

''(ii) APPLICABILITY.—This subparagraph may not apply to an employer that has or is engaged in a pattern or practice of violations of paragraph (1), (2), or (3) of subsection (a) or of any other requirements of this section.

''(C) PENALTY CLAIM.—After considering evidence and representations offered by the employer, the Secretary shall determine whether there was a violation and promptly issue a written final determination setting forth the findings of fact and conclusions of law on which the determination is based and the appropriate penalty.

''(4) CIVIL PENALTIES.—

''(A) HIRING OR CONTINUING TO EMPLOY UNAUTHORIZED ALIENS.—Any employer that violates any provision of paragraph (1), (2), or (3) of subsection (a) shall pay civil penalties as follows:

''(i) Pay a civil penalty of not less than $500 and not more than $4,000 for each unauthorized alien with respect to each such violation.

''(ii) If the employer has previously been fined 1 time during the 12-month period preceding the violation under this subparagraph, pay a civil penalty of not less than $4,000 and not more than $10,000 for each unauthorized alien with respect to each such violation.

''(iii) If the employer has previously been fined more than 1 time during the 24-month period preceding the violation under this subparagraph or has failed to comply with a previously issued and final order related to any such provision, pay a civil penalty of not less than $6,000 and not more than $20,000 for each unauthorized alien with respect to each such violation.

''(B) RECORDKEEPING OR VERIFICATION PRACTICES.—Any employer that violates or fails to comply with the recordkeeping requirements of subsections (a), (c), and (d), shall pay a civil penalty as follows:

''(i) Pay a civil penalty of not less than $200 and not more than $2,000 for each such violation.

''(ii) If the employer has previously been fined 1 time during the 12-month period preceding the violation under this subparagraph, pay a civil penalty of not less than $400 and not more than $4,000 for each such violation.

''(iii) If the employer has previously been fined more than 1 time during the 24-month period preceding the violation under this subparagraph or has failed to comply with a previously issued and final order related to such requirements, pay a civil penalty of not less than $600 and not more than $6,000 for each such violation.

''(C) OTHER PENALTIES.—Notwithstanding subparagraphs (A) and (B), the Secretary may impose additional penalties for violations, including violations of cease and desist orders, specially designed compliance plans to prevent further violations, suspended fines to take effect in the event of a further violation, and in appropriate cases, the criminal penalty described in subsection (f).

''(5) JUDICIAL REVIEW.—An employer adversely affected by a final determination may, within 45 days after the date the final determination is issued, file a petition in any appropriate district court of the United States. The filing of a petition as provided in this paragraph shall stay the Secretary's determination until entry of judgment by the court. The burden shall be on the employer to show that the final determination was not supported by substantial evidence. The Secretary is authorized to require that the petitioner provide, prior to filing for review, security for payment of fines and penalties through bond or other guarantee of payment acceptable to the Secretary.

''(6) ENFORCEMENT OF ORDERS.—If an employer fails to comply with a final determination issued against that employer under this subsection, and the final determination is not subject to review as provided in paragraph (5), the Attorney General may file suit to enforce compliance with the final determination, not earlier than 46 days and not later than 180 days after the date the final determination is issued, in any appropriate district court of the United States. In any such suit, the validity and appropriateness of the final determination shall not be subject to review.

''(7) RECOVERY OF COSTS AND ATTORNEY'S FEES.—In any appeal brought under paragraph (5) or suit brought under paragraph (6) of this section the employer shall be entitled to recover from the Secretary reasonable costs and attorney's fees if such employer substantially prevails on the merits of the case. Such an award of attorney's fees may not exceed $25,000. Any such costs and attorney's fees assessed against the Secretary shall be charged against the operating expenses of the Department for the fiscal year in which the assessment is made, and may not be reimbursed from any other source.

''(f) CRIMINAL PENALTIES AND INJUNCTIONS FOR PATTERN OR PRACTICE VIOLATIONS.—

''(1) CRIMINAL PENALTY.—An employer that engages in a pattern or practice of knowing violations of subsection (a)(1)(A) or (a)(2) shall be fined not more than $20,000 for each unauthorized alien with respect to whom such a violation occurs, imprisoned for not more than 3 years for the entire pattern or practice, or both.

''(2) ENJOINING OF PATTERN OR PRACTICE VIOLATIONS.—If the Secretary or the Attorney General has reasonable cause to believe that an employer is engaged in a pattern or practice of employment, recruitment, or referral in violation of paragraph (1)(A) or (2) of subsection (a), the Attorney General may bring a civil action in the appropriate district court of the United States requesting a permanent or temporary injunction, restraining order, or other order against the employer, as the Secretary deems necessary.

''(g) ADJUSTMENT FOR INFLATION.—All penalties and limitations on the recovery of costs and attorney's fees in this section shall be increased every 4 years beginning January 2010 to reflect the percentage increase in the consumer price index for all urban consumers (all items; U.S. city average) for the 48 month period ending with September of the year preceding the year such adjustment is made. Any adjustment under this subparagraph shall be rounded to the nearest dollar.

''(h) PROHIBITION OF INDEMNITY BONDS.—

''(1) PROHIBITION.—It is unlawful for an employer, in the hiring, recruiting, or referring for a fee, of an individual, to require the individual to post a bond or security, to pay or agree to pay an amount, or otherwise to provide a financial guarantee or indemnity, against any potential liability arising under this section relating to such hiring, recruiting, or referring of the individual.

''(2) CIVIL PENALTY.—Any employer which is determined, after notice and opportunity for mitigation of the monetary penalty under subsection (e), to have violated paragraph (1) of this subsection shall be subject to a civil penalty of $10,000 for each violation and to an administrative order requiring the return of any amounts received in violation of such paragraph to the employee or, if the employee cannot be located, to the Employer Compliance Fund established under section 286(w).

''(i) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(1) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(A) IN GENERAL.—If an employer who does not hold a Federal contract, grant, or cooperative agreement is determined by the Secretary to be a repeat violator of this section or is convicted of a crime under this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 5 years. The Secretary or the Attorney General shall advise the Administrator of General Services of such a debarment, and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 5 years.

''(B) WAIVER.—The Administrator of General Services, in consultation with the Secretary and the Attorney General, may waive operation of this subsection or may limit the duration or scope of the debarment.

''(2) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(A) IN GENERAL.—An employer who holds a Federal contract, grant, or cooperative agreement and is determined by the Secretary to be a repeat violator of this section or is convicted of a crime under this section, shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 5 years.

''(B) NOTICE TO AGENCIES.—Prior to debarring the employer under subparagraph (A), the Secretary, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 5 years.

''(C) WAIVER.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Secretary may, in lieu of debarring the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 5 years, waive operation of this subsection, limit the duration or scope of the debarment, or may refer to an appropriate lead agency the decision of whether to debar the employer, for what duration, and under what scope in accordance with the procedures and standards prescribed by the Federal Acquisition Regulation. However, any proposed debarment predicated on an administrative determination of liability for civil penalty by the Secretary or the Attorney General shall not be reviewable in any debarment proceeding. The decision of whether to debar or take alternate action under this subparagraph shall not be judicially reviewed.

''(3) SUSPENSION.—Indictments for violations of this section or adequate evidence of

actions that could form the basis for debarment under this subsection shall be considered a cause for suspension under the procedures and standards for suspension prescribed by the Federal Acquisition Regulation.

''(j) MISCELLANEOUS PROVISIONS.—

''(1) DOCUMENTATION.—In providing documentation or endorsement of authorization of aliens eligible to be employed in the United States, the Secretary shall provide that any limitations with respect to the period or type of employment or employer shall be conspicuously stated on the documentation or endorsement (other than aliens lawfully admitted for permanent residence).

''(2) PREEMPTION.—The provisions of this section preempt any State or local law imposing civil or criminal sanctions (other than through licensing and similar laws) upon those who employ, or recruit or refer for a fee for employment, unauthorized aliens.

''(k) DEPOSIT OF AMOUNTS RECEIVED.—Except as otherwise specified, civil penalties collected under this section shall be deposited by the Secretary into the Employer Compliance Fund established under section 286(w).

''(l) DEFINITIONS.—In this section:

''(1) EMPLOYER.—The term 'employer' means any person or entity, including any entity of the Government of the United States, hiring, recruiting, or referring an individual for employment in the United States.

''(2) SECRETARY.—Except as otherwise provided, the term 'Secretary' means the Secretary of Homeland Security.

''(3) UNAUTHORIZED ALIEN.—The term 'unauthorized alien' means, with respect to the employment of an alien at a particular time, that the alien is not at that time either—

''(A) an alien lawfully admitted for permanent residence; or

''(B) authorized to be so employed by this Act or by the Secretary.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS.—

(A) REPEAL OF BASIC PILOT.—Sections 401, 402, 403, 404, and 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note) are repealed.

(B) REPEAL OF REPORTING REQUIREMENTS.—

(i) REPORT ON EARNINGS OF ALIENS NOT AUTHORIZED TO WORK.—Subsection (c) of section 290 of the Immigration and Nationality Act (8 U.S.C. 1360) is repealed.

(ii) REPORT ON FRAUDULENT USE OF SOCIAL SECURITY ACCOUNT NUMBERS.—Subsection (b) of section 414 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1360 note) is repealed.

(2) CONSTRUCTION.—Nothing in this subsection or in subsection (d) of section 274A of the Immigration and Nationality Act, as amended by subsection (a), may be construed to limit the authority of the Secretary of Homeland Security to allow or continue to allow the participation of employers who participated in the basic pilot program under sections 401, 402, 403, 404, and 405 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 8 U.S.C. 1324a note) in the Electronic Employment Verification System established pursuant to such subsection (d).

(c) TECHNICAL AMENDMENTS.—

(1) DEFINITION OF UNAUTHORIZED ALIEN.—The Immigration and Nationality Act is amended in sections 218(i)(1) (8 U.S.C. 1188(i)(1)), 245(c)(8) (8 U.S.C. 1255(c)(8)), 274(a)(3)(B)(i) (8 U.S.C. 1324(a)(3)(B)(i)), and 274B(a)(1) (8 U.S.C. 1324b(a)(1)) are amended by striking ''274A(h)(3)'' and inserting ''274A''.

(2) DOCUMENT REQUIREMENTS.—Section 274B of the Immigration and Nationality Act (8 U.S.C. 1324b) is amended—

(A) in subsections (a)(6) and (g)(2)(B), by striking ''274A(b)'' and inserting ''274A(c) and (d)''; and

(B) in subsection (g)(2)(B)(ii), by striking ''274A(b)(5)'' and inserting ''274A(c)''.

(d) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Section 205(c)(2) of the Social Security Act (42 U.S.C. 405(c)(2)) is amended by adding at the end the following new subparagraphs:

''(I)(i) The Commissioner of Social Security shall, subject to the provisions of section 201(f)(2) of the Fair Minimum Wage Act of 2007, establish a reliable, secure method to provide through the Electronic Employment Verification System established pursuant to subsection (d) of section 274A of the Immigration and Nationality Act (referred to in this subparagraph as the 'System'), within the time periods required by paragraph (8) of such subsection—

''(I) a determination of whether the name, date of birth, employer identification number, and social security account number of an individual provided in an inquiry made to the System by an employer is consistent with such information maintained by the Commissioner in order to confirm the validity of the information provided;

''(II) a determination of the citizenship status associated with such name and social security account number, according to the records maintained by the Commissioner;

''(III) a determination of whether the name and number belongs to an individual who is deceased, according to the records maintained by the Commissioner;

''(IV) a determination of whether the name and number is blocked in accordance with clause (ii); and

''(V) a confirmation notice or a nonconfirmation notice described in such paragraph (8), in a manner that ensures that other information maintained by the Commissioner is not disclosed or released to employers through the System.

''(ii) The Commissioner of Social Security shall prevent the fraudulent or other misuse of a social security account number by establishing procedures under which an individual who has been assigned a social security account number may block the use of such number under the System and remove such block.

''(J) In assigning social security account numbers to aliens who are authorized to work in the United States under section 218A of the Immigration and Nationality Act, the Commissioner of Social Security shall, to the maximum extent practicable, assign such numbers by employing the enumeration procedure administered jointly by the Commissioner, the Secretary of State, and the Secretary.''.

(e) DISCLOSURE OF CERTAIN TAXPAYER IDENTITY INFORMATION.—

(1) IN GENERAL.—Section 6103(l) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

''(21) DISCLOSURE OF CERTAIN TAXPAYER IDENTITY INFORMATION BY SOCIAL SECURITY ADMINISTRATION TO DEPARTMENT OF HOMELAND SECURITY.—

''(A) IN GENERAL.—From taxpayer identity information which has been disclosed to the Social Security Administration and upon written request by the Secretary of Homeland Security, the Commissioner of Social Security shall disclose directly to officers, employees, and contractors of the Department of Homeland Security the following information:

''(i) DISCLOSURE OF EMPLOYER NO-MATCH NOTICES.—Taxpayer identity information of each person who has filed an information return required by reason of section 6051 during calendar year 2006, 2007, or 2008 which contains—

''(I) more than 100 names and taxpayer identifying numbers of employees (within the meaning of such section) that did not match the records maintained by the Commissioner of Social Security, or

''(II) more than 10 names of employees (within the meaning of such section) with the same taxpayer identifying number.

''(ii) DISCLOSURE OF INFORMATION REGARDING USE OF DUPLICATE EMPLOYEE TAXPAYER IDENTIFYING INFORMATION.—Taxpayer identity information of each person who has filed an information return required by reason of section 6051 which the Commissioner of Social Security has reason to believe, based on a comparison with information submitted by the Secretary of Homeland Security, contains evidence of identity fraud due to the multiple use of the same taxpayer identifying number (assigned under section 6109) of an employee (within the meaning of section 6051).

''(iii) DISCLOSURE OF INFORMATION REGARDING NONPARTICIPATING EMPLOYERS.—Taxpayer identity information of each person who has filed an information return required by reason of section 6051 which the Commissioner of Social Security has reason to believe, based on a comparison with information submitted by the Secretary of Homeland Security, contains evidence of such person's failure to register and participate in the Electronic Employment Verification System authorized under section 274A(d) of the Immigration and Nationality Act (hereafter in this paragraph referred to as the 'System').

''(iv) DISCLOSURE OF INFORMATION REGARDING NEW EMPLOYEES OF NONPARTICIPATING EMPLOYERS.—Taxpayer identity information of all employees (within the meaning of section 6051) hired after the date a person identified in clause (iii) is required to participate in the System under section 274A(d)(2) or section 274A(d)(3)(B) of the Immigration and Nationality Act.

''(v) DISCLOSURE OF INFORMATION REGARDING EMPLOYEES OF CERTAIN DESIGNATED EMPLOYERS.—Taxpayer identity information of all employees (within the meaning of section 6051) of each person who is required to participate in the System under section 274A(d)(3)(B) of the Immigration and Nationality Act.

''(vi) DISCLOSURE OF NEW HIRE TAXPAYER IDENTITY INFORMATION.—Taxpayer identity information of each person participating in the System and taxpayer identity information of all employees (within the meaning of section 6051) of such person hired during the period beginning with the later of—

''(I) the date such person begins to participate in the System, or

''(II) the date of the request immediately preceding the most recent request under this clause,

ending with the date of the most recent request under this clause.

''(B) RESTRICTION ON DISCLOSURE.—The Commissioner of Social Security shall disclose taxpayer identity information under subparagraph (A) only for purposes of, and to the extent necessary in—

''(i) establishing and enforcing employer participation in the System,

''(ii) carrying out, including through civil administrative and civil judicial proceedings, of sections 212, 217, 235, 237, 238, 274A, 274B, and 274C of the Immigration and Nationality Act, and

''(iii) the civil operation of the Alien Terrorist Removal Court.

''(C) REIMBURSEMENT.—The Commissioner of Social Security shall prescribe a reasonable fee schedule for furnishing taxpayer identity information under this paragraph

and collect such fees in advance from the Secretary of Homeland Security.

''(D) TERMINATION.—This paragraph shall not apply to any request made after the date which is 3 years after the date of the enactment of this paragraph.''.

(2) COMPLIANCE BY DHS CONTRACTORS WITH CONFIDENTIALITY SAFEGUARDS.—

(A) IN GENERAL.—Section 6103(p) of such Code is amended by adding at the end the following new paragraph:

''(9) DISCLOSURE TO DHS CONTRACTORS.—Notwithstanding any other provision of this section, no return or return information shall be disclosed to any contractor of the Department of Homeland Security unless such Department, to the satisfaction of the Secretary—

''(A) has requirements in effect which require each such contractor which would have access to returns or return information to provide safeguards (within the meaning of paragraph (4)) to protect the confidentiality of such returns or return information,

''(B) agrees to conduct an on-site review every 3 years (mid-point review in the case of contracts or agreements of less than 1 year in duration) of each contractor to determine compliance with such requirements,

''(C) submits the findings of the most recent review conducted under subparagraph (B) to the Secretary as part of the report required by paragraph (4)(E), and

''(D) certifies to the Secretary for the most recent annual period that such contractor is in compliance with all such requirements.

''The certification required by subparagraph (D) shall include the name and address of each contractor, a description of the contract or agreement with such contractor, and the duration of such contract or agreement.''.

(3) CONFORMING AMENDMENTS.—

(A) Section 6103(a)(3) of such Code is amended by striking ''or (20)'' and inserting ''(20), or (21)''.

(B) Section 6103(p)(3)(A) of such Code is amended by adding at the end the following new sentence: ''The Commissioner of Social Security shall provide to the Secretary such information as the Secretary may require in carrying out this paragraph with respect to return information inspected or disclosed under the authority of subsection (l)(21).''.

(C) Section 6103(p)(4) of such Code is amended—

(i) by striking ''or (17)'' both places it appears and inserting ''(17), or (21)'', and

(ii) by striking ''or (20)'' each place it appears and inserting ''(20), or (21)''.

(D) Section 6103(p)(8)(B) of such Code is amended by inserting ''or paragraph (9)'' after ''subparagraph (A)''.

(E) Section 7213(a)(2) of such Code is amended by striking ''or (20)'' and inserting ''(20), or (21)''.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the Secretary of Homeland Security such sums as are necessary to carry out the amendments made by this section.

(2) LIMITATION ON VERIFICATION RESPONSIBILITIES OF COMMISSIONER OF SOCIAL SECURITY.—The Commissioner of Social Security is authorized to perform activities with respect to carrying out the Commissioner's responsibilities in this title or the amendments made by this title, but only to the extent the Secretary of Homeland Security has provided, in advance, funds to cover the Commissioner's full costs in carrying out such responsibilities. In no case shall funds from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund be used to carry out such responsibilities.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsections (a), (b), (c), and (d) shall take effect on the date that is 180 days after the date of the enactment of this Act.

(2) SUBSECTION (e).—

(A) IN GENERAL.—The amendments made by subsection (e) shall apply to disclosures made after the date of the enactment of this Act.

(B) CERTIFICATIONS.—The first certification under section 6103(p)(9)(D) of the Internal Revenue Code of 1986, as added by subsection (e)(2), shall be made with respect to calendar year 2008.

SEC. 202. EMPLOYER COMPLIANCE FUND.

Section 286 of the Immigration and Nationality Act (8 U.S.C. 1356) is amended by adding at the end the following new subsection:

''(w) EMPLOYER COMPLIANCE FUND.—

''(1) IN GENERAL.—There is established in the general fund of the Treasury, a separate account, which shall be known as the 'Employer Compliance Fund' (referred to in this subsection as the 'Fund').

''(2) DEPOSITS.—There shall be deposited as offsetting receipts into the Fund all civil monetary penalties collected by the Secretary of Homeland Security under section 274A.

''(3) PURPOSE.—Amounts refunded to the Secretary from the Fund shall be used for the purposes of enhancing and enforcing employer compliance with section 274A.

''(4) AVAILABILITY OF FUNDS.—Amounts deposited into the Fund shall remain available until expended and shall be refunded out of the Fund by the Secretary of the Treasury, at least on a quarterly basis, to the Secretary of Homeland Security.''.

SEC. 203. ADDITIONAL WORKSITE ENFORCEMENT AND FRAUD DETECTION AGENTS.

(a) INCREASE IN NUMBER OF PERSONNEL.—The Secretary of Homeland Security shall, subject to the availability of appropriations for such purpose, annually increase, by not less than 2,200, the number of personnel of the Bureau of Immigration and Customs Enforcement during the 5-year period beginning on the date of the enactment of this Act.

(b) USE OF PERSONNEL.—The Secretary of Homeland Security shall ensure that not less than 25 percent of all the hours expended by personnel of the Bureau of Immigration and Customs Enforcement shall be used to enforce compliance with sections 274A and 274C of the Immigration and Nationality Act (8 U.S.C. 1324a and 1324c).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Homeland Security for each of the fiscal years 2008 through 2012 such sums as may be necessary to carry out this section.

SEC. 204. CLARIFICATION OF INELIGIBILITY FOR MISREPRESENTATION.

Section 212(a)(6)(C)(ii)(I) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(ii)(I)), is amended by striking ''citizen'' and inserting ''national''.

SEC. 205. ANTIDISCRIMINATION PROTECTIONS.

(a) APPLICATION OF PROHIBITION OF DISCRIMINATION TO VERIFICATION SYSTEM.—Section 274B(a)(1) of the Immigration and Nationality Act (8 U.S.C. 1324b(a)(1)) is amended by inserting '', the verification of the individual's work authorization through the Electronic Employment Verification System described in section 274A(d),'' after ''the individual for employment''.

(b) CLASSES OF ALIENS AS PROTECTED INDIVIDUALS.—Section 274B(a)(3)(B) of the Immigration and Nationality Act (8 U.S.C. 1324b(a)(3)(B)) is amended to read as follows:

''(B) is an alien who is—

''(i) lawfully admitted for permanent residence;

''(ii) granted the status of an alien lawfully admitted for temporary residence under section 210(a) or 245(a)(1);

''(iii) admitted as a refugee under section 207;

''(iv) granted asylum under section 208;

''(v) granted the status of a nonimmigrant under section 101(a)(15)(H)(ii)(c);

''(vi) granted temporary protected status under section 244; or

''(vii) granted parole under section 212(d)(5).''.

(c) REQUIREMENTS FOR ELECTRONIC EMPLOYMENT VERIFICATION.—Section 274B(a) of the Immigration and Nationality Act (8 U.S.C. 1324b(a)) is amended by adding at the end the following:

''(7) ANTIDISCRIMINATION REQUIREMENTS OF THE ELECTRONIC EMPLOYMENT VERIFICATION SYSTEM.—It is an unfair immigration-related employment practice for a person or other entity, in the course of the electronic verification process described in section 274A(d)—

''(A) to terminate or undertake any adverse employment action due to a tentative nonconfirmation;

''(B) to use the verification system for screening of an applicant prior to an offer of employment;

''(C) except as described in section 274A(d)(3)(B), to use the verification system for a current employee after the first 3 days of employment, or for the reverification of an employee after the employee has satisfied the process described in section 274A(d); or

''(D) to require an individual to make an inquiry under the self-verification procedures established in section 274A(d)(8)(E)(iii).''.

(d) INCREASE IN CIVIL MONEY PENALTIES.—Section 274B(g)(2) of the Immigration and Nationality Act (8 U.S.C. 1324b(g)(2)) is amended—

(1) in subparagraph (B)(iv)—

(A) in subclause (I), by striking ''$250 and not more than $2,000'' and inserting ''$1,000 and not more than $4,000'';

(B) in subclause (II), by striking ''$2,000 and not more than $5,000'' and inserting ''$4,000 and not more than $10,000'';

(C) in subclause (III), by striking ''$3,000 and not more than $10,000'' and inserting ''$6,000 and not more than $20,000''; and

(D) in subclause (IV), by striking ''$100 and not more than $1,000'' and inserting ''$500 and not more than $5,000''.

(e) INCREASED FUNDING OF INFORMATION CAMPAIGN.—Section 274B(l)(3) of the Immigration and Nationality Act (8 U.S.C. 1324b(l)(3)) is amended by inserting ''and an additional $40,000,000 for each of fiscal years 2008 through 2010'' before the period at the end.

(f) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 180 days after the date of the enactment of this Act and shall apply to violations occurring on or after such date.

SA 145. Mr. SESSIONS (for himself, Mr. INHOFE, and Mr. GRASSLEY) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. RESPONSIBLE GOVERNMENT CONTRACTOR REQUIREMENTS.

Section 274A(e) of the Immigration and Nationality Act (8 U.S.C. 1324a(e)) is amended by adding at the end the following new paragraph:

''(10) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(A) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subparagraph (C), if an employer who does not hold a Federal contract, grant, or cooperative agreement is determined to have violated this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 7 years.

''(ii) PLACEMENT ON EXCLUDED LIST.—The Secretary of Homeland Security or the Attorney General shall advise the Administrator of General Services of the debarment of an employer under clause (i) and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 7 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—The Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of a debarment under clause (i) if such waiver or limitation is necessary to national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternative action under this clause shall not be judicially reviewed.

''(B) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subclause (C), an employer who holds a Federal contract, grant, or cooperative agreement and is determined to have violated this section shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(ii) NOTICE TO AGENCIES.—Prior to debarring the employer under clause (i), the Secretary of Homeland Security, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of the debarment under clause (i) if such waiver or limitation is necessary to the national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternate action under this clause shall not be judicially reviewed.

''(C) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition on an employer of a debarment from the receipt of a Federal contract, grant, or cooperative agreement under subparagraph (A) or (B), that penalty shall be waived if the employer establishes that the employer was voluntarily participating in the basic pilot program under section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) at the time of the violations of this section that resulted in the debarment.''.

SA 146. Mr. SESSIONS (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. RESPONSIBLE EMPLOYER REQUIREMENTS.

(a) PENALTIES FOR UNLAWFUL EMPLOYMENT OF ALIENS.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended—

(1) in subsection (e)(4)—

(A) in subparagraph (A)(i), by striking ''not less than $250 and not more than $2,000'' and inserting ''not less than $5000 and not more than $7,500'';

(B) in subparagraph (A)(ii), by striking ''not less than $2,000 and not more than $5,000'' and inserting ''not less than $10,000 and not more than $15,000''; and

(C) in subparagraph (A)(iii), by striking ''not less than $3,000 and not more than $10,000'' and inserting ''not less than $25,000 and not more than $40,00'';

(2) in subsection (e)(5)—

(A) by inserting '', subject to paragraph (10),'' after ''in an amount'';

(B) by striking ''$100 and not more than $1,000'' and inserting ''$1,000 and not more than $25,000''; and

(C) by adding at the end the following sentence: ''Providing information to the basic pilot program described in section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) that the person or entity knows or reasonably believes to be false, shall be treated as a violation of subsection (a)(1)(A) and shall not qualify for the exemption provided by (e)(10).'';

(3) by adding at the end of subsection (e) the following new paragraph:

''(10) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition of a civil penalty under paragraph (4)(A) with respect to a violation of subsection (a)(1)(A) or (a)(2) for hiring or continuation of employment by an employer and in the case of imposition of a civil penalty under paragraph (5) for a violation of subsection (a)(1)(B) for hiring or recruitment or referral by a person or entity, the penalty otherwise imposed shall be waived if the violator establishes that it was voluntarily participating in the basic pilot electronic verification program at the time of the offense.'';

(4) by amending paragraph (1) of subsection (f) to read as follows:

''(1) CRIMINAL PENALTY.—Any person or entity which engages in a pattern or practice of violations of paragraph (1) or (2) of subsection (a) shall be fined not less than $3,000 and more than $50,000 for each unauthorized alien with respect to which such a violation occurs, imprisoned for not less than one year, or both, notwithstanding the provisions of any other Federal law relating to fine levels.''; and

(5) in subsection (f)(2), by striking ''Attorney General'' each place it appears and inserting ''Secretary of Homeland Security''.

(b) RETENTION AND USE OF EMPLOYMENT ELIGIBILITY VERIFICATION DOCUMENTS.—

(1) RETENTION.—Section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended by striking paragraph (4) and inserting the following:

''(4) COPYING AND RETENTION OF DOCUMENTATION.—

''(A) IN GENERAL.—A person or entity required to examine a document described in subparagraph (B), (C), or (D) of paragraph (1) or receive an attestation described in paragraph (2) shall retain a paper, microfiche, microfilm, or electronic version of each such document and attestation, indicate that each such version is a copied document, and make such versions available for inspection by an officer of the Department of Homeland Security or any other person designated by the Secretary, the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice, or the Secretary of Labor during the period beginning on the date of the hiring, or recruiting or referring for a fee, of the individual and ending—

''(i) in the case of the recruiting or referral for a fee (without hiring) of an individual, 5 years after the date of the recruiting or referral; or

''(ii) in the case of the hiring of an individual the later of—

''(I) 5 years after the date of such hiring; or

''(II) 1 year after the date the individual's employment is terminated.

''(B) OTHER RECORDS.—Such person or entity shall maintain records of any action taken and copies of any correspondence written or received with respect to the verification of an individual's identity or eligibility for employment in the United States.''.

(2) LIMITATION ON USE OF RETAINED DOCUMENTS.—Paragraph (5) of section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended—

(A) in the heading, by striking ''LIMITATION ON USE OF ATTESTATION FORM'' and inserting ''ATTESTATION FORM'';

(B) by redesignating such paragraph (5) as subparagraph (A);

(C) by indenting such subparagraph, as so designated, six ems from the left margin;

(D) by inserting before such subparagraph, as so designated, the following:

''(5) LIMITATION ON USE.—''; and

(E) by inserting after such subparagraph, as so designated, the following new subparagraph:

''(B) RETAINED DOCUMENTS.—A person or entity required to retain versions of documents or attestations or maintain records under paragraph (4) shall use any such version, attestation, or record only for the purposes of complying with the requirements of this subsection, except as otherwise permitted under law.''.

(c) EXTENSION OF THE BASIC PILOT PROGRAM.—Section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following new paragraph:

''(5) INDIVIDUALS COVERED.—Notwithstanding any other provision of this title, a person or other entity that elects to participate in the basic pilot program shall follow the procedures described in paragraphs (1) thorough (4) for each individual who the person or entity hires (or recruits or refers) for employment and for each individual who is employed by the person or entity.''.

SA 147. Mr. SESSIONS (for himself and Mr. INHOFE) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. RESPONSIBLE EMPLOYER REQUIREMENTS.

(a) PENALTIES FOR UNLAWFUL EMPLOYMENT OF ALIENS.—Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is amended—

(1) in subsection (e)(4)—

(A) in subparagraph (A)(i), by striking ''not less than $250 and not more than $2,000'' and inserting ''not less than $5000 and not more than $7,500'';

(B) in subparagraph (A)(ii), by striking ''not less than $2,000 and not more than $5,000'' and inserting ''not less than $10,000 and not more than $15,000''; and

(C) in subparagraph (A)(iii), by striking ''not less than $3,000 and not more than $10,000'' and inserting ''not less than $25,000 and not more than $40,00'';

(2) in subsection (e)(5)—

(A) by inserting '', subject to paragraph (10),'' after ''in an amount'';

(B) by striking ''$100 and not more than $1,000'' and inserting ''$1,000 and not more than $25,000''; and

(C) by adding at the end the following sentence: ''Providing information to the basic pilot program described in section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) that the person or entity knows or reasonably believes to be false, shall be treated as a violation of subsection (a)(1)(A) and shall not qualify for the exemption provided by (e)(10).'';

(3) by adding at the end of subsection (e) the following new paragraph:

''(10) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition of a civil penalty under paragraph (4)(A) with respect to a violation of subsection (a)(1)(A) or (a)(2) for hiring or continuation of employment by an employer and in the case of imposition of a civil penalty under paragraph (5) for a violation of subsection (a)(1)(B) for hiring or recruitment or referral by a person or entity, the penalty otherwise imposed shall be waived if the violator establishes that it was voluntarily participating in the basic pilot electronic verification program at the time of the offense.'';

(4) by amending paragraph (1) of subsection (f) to read as follows:

''(1) CRIMINAL PENALTY.—Any person or entity which engages in a pattern or practice of violations of paragraph (1) or (2) of subsection (a) shall be fined not less than $3,000 and more than $50,000 for each unauthorized alien with respect to which such a violation occurs, imprisoned for not less than one year, or both, notwithstanding the provisions of any other Federal law relating to fine levels.''; and

(5) in subsection (f)(2), by striking ''Attorney General'' each place it appears and inserting ''Secretary of Homeland Security''.

(b) RETENTION AND USE OF EMPLOYMENT ELIGIBILITY VERIFICATION DOCUMENTS.—

(1) RETENTION.—Section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended by striking paragraph (4) and inserting the following:

''(4) COPYING AND RETENTION OF DOCUMENTATION.—

''(A) IN GENERAL.—A person or entity required to examine a document described in subparagraph (B), (C), or (D) of paragraph (1) or receive an attestation described in paragraph (2) shall retain a paper, microfiche, microfilm, or electronic version of each such document and attestation, indicate that each such version is a copied document, and make such versions available for inspection by an officer of the Department of Homeland Security or any other person designated by the Secretary, the Special Counsel for Immigration-Related Unfair Employment Practices of the Department of Justice, or the Secretary of Labor during the period beginning on the date of the hiring, or recruiting or referring for a fee, of the individual and ending—

''(i) in the case of the recruiting or referral for a fee (without hiring) of an individual, 5 years after the date of the recruiting or referral; or

''(ii) in the case of the hiring of an individual the later of—

''(I) 5 years after the date of such hiring; or

''(II) 1 year after the date the individual's employment is terminated.

''(B) OTHER RECORDS.—Such person or entity shall maintain records of any action taken and copies of any correspondence written or received with respect to the verification of an individual's identity or eligibility for employment in the United States.''.

(2) LIMITATION ON USE OF RETAINED DOCUMENTS.—Paragraph (5) of section 274A(b) of the Immigration and Nationality Act (8 U.S.C. 1324a(b)) is amended—

(A) in the heading, by striking ''LIMITATION ON USE OF ATTESTATION FORM'' and inserting ''ATTESTATION FORM'';

(B) by redesignating such paragraph (5) as subparagraph (A);

(C) by indenting such subparagraph, as so designated, six ems from the left margin;

(D) by inserting before such subparagraph, as so designated, the following:

''(5) LIMITATION ON USE.—''; and

(E) by inserting after such subparagraph, as so designated, the following new subparagraph:

''(B) RETAINED DOCUMENTS.—A person or entity required to retain versions of documents or attestations or maintain records under paragraph (4) shall use any such version, attestation, or record only for the purposes of complying with the requirements of this subsection, except as otherwise permitted under law.''.

(c) EXTENSION OF THE BASIC PILOT PROGRAM.—Section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) is amended by adding at the end the following new paragraph:

''(5) INDIVIDUALS COVERED.—Notwithstanding any other provision of this title, a person or other entity that elects to participate in the basic pilot program shall follow the procedures described in paragraphs (1) thorough (4) for each individual who the person or entity hires (or recruits or refers) for employment and for each individual who is employed by the person or entity.''.

SA 148. Mr. SESSIONS (for himself, Mr. INHOFE, and Mr. GRASSLEY) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. RESPONSIBLE GOVERNMENT CONTRACTOR REQUIREMENTS.

Section 274A(e) of the Immigration and Nationality Act (8 U.S.C. 1324a(e)) is amended by adding at the end the following new paragraph:

''(10) PROHIBITION ON AWARD OF GOVERNMENT CONTRACTS, GRANTS, AND AGREEMENTS.—

''(A) EMPLOYERS WITH NO CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subparagraph (C), if an employer who does not hold a Federal contract, grant, or cooperative agreement is determined to have violated this section, the employer shall be debarred from the receipt of a Federal contract, grant, or cooperative agreement for a period of 7 years.

''(ii) PLACEMENT ON EXCLUDED LIST.—The Secretary of Homeland Security or the Attorney General shall advise the Administrator of General Services of the debarment of an employer under clause (i) and the Administrator of General Services shall list the employer on the List of Parties Excluded from Federal Procurement and Nonprocurement Programs for a period of 7 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—The Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of a debarment under clause (i) if such waiver or limitation is necessary to national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternative action under this clause shall not be judicially reviewed.

''(B) EMPLOYERS WITH CONTRACTS, GRANTS, OR AGREEMENTS.—

''(i) IN GENERAL.—Subject to clause (iii) and subclause (C), an employer who holds a Federal contract, grant, or cooperative agreement and is determined to have violated this section shall be debarred from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(ii) NOTICE TO AGENCIES.—Prior to debarring the employer under clause (i), the Secretary of Homeland Security, in cooperation with the Administrator of General Services, shall advise any agency or department holding a contract, grant, or cooperative agreement with the employer of the Government's intention to debar the employer from the receipt of new Federal contracts, grants, or cooperative agreements for a period of 10 years.

''(iii) WAIVER.—

''(I) AUTHORITY.—After consideration of the views of any agency or department that holds a contract, grant, or cooperative agreement with the employer, the Administrator of General Services, in consultation with the Secretary of Homeland Security and the Attorney General, may waive operation of clause (i) or may limit the duration or scope of the debarment under clause (i) if such waiver or limitation is necessary to the national defense or in the interest of national security.

''(II) NOTIFICATION TO CONGRESS.—If the Administrator grants a waiver or limitation described in subclause (I), the Administrator shall submit to each member of the Committee on the Judiciary of the Senate and of the Committee on the Judiciary of the House

of Representatives immediate notice of such waiver or limitation.

''(III) PROHIBITION ON JUDICIAL REVIEW.—The decision of whether to debar or take alternate action under this clause shall not be judicially reviewed.

''(C) EXEMPTION FROM PENALTY FOR EMPLOYERS PARTICIPATING IN THE BASIC PILOT PROGRAM.—In the case of imposition on an employer of a debarment from the receipt of a Federal contract, grant, or cooperative agreement under subparagraph (A) or (B), that penalty shall be waived if the employer establishes that the employer was voluntarily participating in the basic pilot program under section 403(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1324a note) at the time of the violations of this section that resulted in the debarment.''.

SA 149. Mr. ENSIGN (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PRECLUSION OF SOCIAL SECURITY CREDITS PRIOR TO ENUMERATION.

(a) INSURED STATUS.—Section 214 of the Social Security Act (42 U.S.C. 414) is amended by adding at the end, the following new subsection:

''(d)(1) Except as provided in paragraph (2), no quarter of coverage shall be credited for purposes of this section if, with respect to any individual who is assigned a social security account number on or after the date of enactment of the Fair Minimum Wage Act of 2007, such quarter of coverage is earned prior to the year in which such social security account number is assigned.

''(2) Paragraph (1) shall not apply with respect to any quarter of coverage earned by an individual who, at such time such quarter of coverage is earned, satisfies the criterion specified in subsection (c)(2).''.

(b) BENEFIT COMPUTATION.—Section 215(e) of such Act (42 U.S.C. 415(e)) is amended—

(1) by striking ''and'' at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(3) in computing the average indexed monthly earnings of an individual who is assigned a social security account number on or after the date of enactment of the Fair Minimum Wage Act of 2007, there shall not be counted any wages or self-employment income for which no quarter of coverage may be credited to such individual as a result of the application of section 214(d).''.

SA 150. Mr. ENSIGN (for himself, Mr. SESSIONS, Mr. CRAIG, Mrs. DOLE, Mr. THOMAS, Mr. CORNYN, Mr. INHOFE, Mr. ISAKSON, and Mr. COLEMAN) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. TRANSMITTAL AND APPROVAL OF TOTALIZATION AGREEMENTS.

(a) IN GENERAL.—Section 233(e) of the Social Security Act (42 U.S.C. 433(e)) is amended to read as follows:

''(e)(1) Any agreement to establish a totalization arrangement which is entered into with another country under this section shall enter into force with respect to the United States if (and only if)—

''(A) the President, at least 90 calendar days before the date on which the President enters into the agreement, notifies each House of Congress of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register,

''(B) the President transmits the text of such agreement to each House of Congress as provided in paragraph (2), and

''(C) an approval resolution regarding such agreement has passed both Houses of Congress and has been enacted into law.

''(2)(A) Whenever an agreement referred to in paragraph (1) is entered into, the President shall transmit to each House of Congress a document setting forth the final legal text of such agreement and including a report by the President in support of such agreement. The President's report shall include the following:

''(i) An estimate by the Chief Actuary of the Social Security Administration of the effect of the agreement, in the short term and in the long term, on the receipts and disbursements under the social security system established by this title.

''(ii) A statement of any administrative action proposed to implement the agreement and how such action will change or affect existing law.

''(iii) A statement describing whether and how the agreement changes provisions of an agreement previously negotiated.

''(iv) A statement describing how and to what extent the agreement makes progress in achieving the purposes, policies, and objectives of this title.

''(v) An estimate by the Chief Actuary of the Social Security Administration, working in consultation with the Comptroller General of the United States, of the number of individuals who may become eligible for any benefits under this title or who may otherwise be affected by the agreement.

''(vi) An assessment of the integrity of the retirement data and records (including birth, death, and marriage records) of the other country that is the subject of the agreement.

''(vii) An assessment of the ability of such country to track and monitor recipients of benefits under such agreement.

''(B) If any separate agreement or other understanding with another country (whether oral or in writing) relating to an agreement to establish a totalization arrangement under this section is not disclosed to Congress in the transmittal to Congress under this paragraph of the agreement to establish a totalization arrangement, then such separate agreement or understanding shall not be considered to be part of the agreement approved by Congress under this section and shall have no force and effect under United States law.

''(3) For purposes of this subsection, the term 'approval resolution' means a joint resolution, the matter after the resolving clause of which is as follows: 'That the proposed agreement entered into pursuant to section 233 of the Social Security Act between the United States and _____ establishing totalization arrangements between the social security system established by title II of such Act and the social security system of _____, transmitted to Congress by the President on _____, is hereby approved.', the first two blanks therein being filled with the name of the country with which the United States entered into the agreement, and the third blank therein being filled with the date of the transmittal of the agreement to Congress.

''(4) Whenever a document setting forth an agreement entered into under this section and the President's report in support of the agreement is transmitted to Congress pursuant to paragraph (2), copies of such document shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

''(5) On the day on which a document setting forth the agreement is transmitted to the House of Representatives and the Senate pursuant to paragraph (1), an approval resolution with respect to such agreement shall be introduced (by request) in the House by the majority leader of the House, for himself or herself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself or herself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such an agreement is transmitted, the approval resolution with respect to such agreement shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. The resolution introduced in the House of Representatives shall be referred to the Committee on Ways and Means and the resolution introduced in the Senate shall be referred to the Committee on Finance.''.

(b) ADDITIONAL REPORTS AND EVALUATIONS.—Section 233 of the Social Security Act (42 U.S.C. 433) is amended by adding at the end the following new subsections:

''(f) BIENNIAL SSA REPORT ON IMPACT OF TOTALIZATION AGREEMENTS.—

''(1) REPORT.—For any totalization agreement transmitted to Congress on or after January 1, 2007, the Commissioner of Social Security shall submit a report to Congress and the Comptroller General that—

''(A) compares the estimates contained in the report submitted to Congress under clauses (i) and (v) of subsection (e)(2)(A) with respect to that agreement with the actual number of individuals affected by the agreement and the actual effect of the agreement on social security system receipts and disbursements; and

''(B) contains recommendations for adjusting the methods used to make the estimates.

''(2) DATES FOR SUBMISSION.—The report required under this subsection shall be provided not later than 2 years after the effective date of the totalization agreement that is the subject of the report and biennially thereafter.

''(g) GAO EVALUATION AND REPORT.—

''(1) EVALUATION OF INITIAL REPORT ON IMPACT OF TOTALIZATION AGREEMENTS.—With respect to each initial report regarding a totalization agreement submitted under subsection (f), the Comptroller General of the United States shall conduct an evaluation of the report that includes—

''(A) an evaluation of the procedures used for making the estimates required by subsection (e)(2)(A);

''(B) an evaluation of the procedures used for determining the actual number of individuals affected by the agreement and the effects of the totalization agreement on receipts and disbursements under the social security system; and

''(C) such recommendations as the Comptroller General determines appropriate.

''(2) REPORT.—Not later than 1 year after the date of submission of an initial report regarding a totalization agreement under subsection (f), the Comptroller General shall

submit to Congress a report setting forth the results of the evaluation conducted under paragraph (1).

''(3) DATA COLLECTION.—The Commissioner of Social Security shall collect and maintain the data necessary for the Comptroller General of the United States to conduct the evaluation required by paragraph (1).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to agreements establishing totalization arrangements entered into under section 233 of the Social Security Act which are transmitted to Congress on or after January 1, 2007.

SA 151. Mr. ENSIGN (for himself, Mr. DEMINT, Mr. GRAHAM, Mr. COBURN) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. NON-GROUP HIGH DEDUCTIBLE HEALTH PLAN PREMIUMS OPTIONS.

(a) IN GENERAL.—Section 223(d)(2)(C) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by adding at the end the following new clause:

''(v) a high deductible health plan, other than a group health plan (as defined in section 5000(b)(1)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SA 152. Mr. ENSIGN (for himself and Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place, insert the following:

SEC. ___. PRECLUSION OF SOCIAL SECURITY CREDITS PRIOR TO ENUMERATION.

(a) INSURED STATUS.—Section 214 of the Social Security Act (42 U.S.C. 414) is amended by adding at the end, the following new subsection:

''(d)(1) Except as provided in paragraph (2), no quarter of coverage shall be credited for purposes of this section if, with respect to any individual who is assigned a social security account number on or after the date of enactment of the Fair Minimum Wage Act of 2007, such quarter of coverage is earned prior to the year in which such social security account number is assigned.

''(2) Paragraph (1) shall not apply with respect to any quarter of coverage earned by an individual who, at such time such quarter of coverage is earned, satisfies the criterion specified in subsection (c)(2).''.

(b) BENEFIT COMPUTATION.—Section 215(e) of such Act (42 U.S.C. 415(e)) is amended—

(1) by striking ''and'' at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(3) in computing the average indexed monthly earnings of an individual who is assigned a social security account number on or after the date of enactment of the Fair Minimum Wage Act of 2007, there shall not be counted any wages or self-employment income for which no quarter of coverage may be credited to such individual as a result of the application of section 214(d).''.

SA 153. Mr. ENSIGN (for himself, Mr. SESSIONS, Mr. CRAIG, Mrs. DOLE, Mr. THOMAS, Mr. CORNYN, Mr. INHOFE, Mr. ISAKSON, and Mr. COLEMAN) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place, insert the following:

SEC. ___. TRANSMITTAL AND APPROVAL OF TOTALIZATION AGREEMENTS.

(a) IN GENERAL.—Section 233(e) of the Social Security Act (42 U.S.C. 433(e)) is amended to read as follows:

''(e)(1) Any agreement to establish a totalization arrangement which is entered into with another country under this section shall enter into force with respect to the United States if (and only if)—

''(A) the President, at least 90 calendar days before the date on which the President enters into the agreement, notifies each House of Congress of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register,

''(B) the President transmits the text of such agreement to each House of Congress as provided in paragraph (2), and

''(C) an approval resolution regarding such agreement has passed both Houses of Congress and has been enacted into law.

''(2)(A) Whenever an agreement referred to in paragraph (1) is entered into, the President shall transmit to each House of Congress a document setting forth the final legal text of such agreement and including a report by the President in support of such agreement. The President's report shall include the following:

''(i) An estimate by the Chief Actuary of the Social Security Administration of the effect of the agreement, in the short term and in the long term, on the receipts and disbursements under the social security system established by this title.

''(ii) A statement of any administrative action proposed to implement the agreement and how such action will change or affect existing law.

''(iii) A statement describing whether and how the agreement changes provisions of an agreement previously negotiated.

''(iv) A statement describing how and to what extent the agreement makes progress in achieving the purposes, policies, and objectives of this title.

''(v) An estimate by the Chief Actuary of the Social Security Administration, working in consultation with the Comptroller General of the United States, of the number of individuals who may become eligible for any benefits under this title or who may otherwise be affected by the agreement.

''(vi) An assessment of the integrity of the retirement data and records (including birth, death, and marriage records) of the other country that is the subject of the agreement.

''(vii) An assessment of the ability of such country to track and monitor recipients of benefits under such agreement.

''(B) If any separate agreement or other understanding with another country (whether oral or in writing) relating to an agreement to establish a totalization arrangement under this section is not disclosed to Congress in the transmittal to Congress under this paragraph of the agreement to establish a totalization arrangement, then such separate agreement or understanding shall not be considered to be part of the agreement approved by Congress under this section and shall have no force and effect under United States law.

''(3) For purposes of this subsection, the term 'approval resolution' means a joint resolution, the matter after the resolving clause of which is as follows: 'That the proposed agreement entered into pursuant to section 233 of the Social Security Act between the United States and _____ establishing totalization arrangements between the social security system established by title II of such Act and the social security system of _____, transmitted to Congress by the President on _____, is hereby approved.', the first two blanks therein being filled with the name of the country with which the United States entered into the agreement, and the third blank therein being filled with the date of the transmittal of the agreement to Congress.

''(4) Whenever a document setting forth an agreement entered into under this section and the President's report in support of the agreement is transmitted to Congress pursuant to paragraph (2), copies of such document shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

''(5) On the day on which a document setting forth the agreement is transmitted to the House of Representatives and the Senate pursuant to paragraph (1), an approval resolution with respect to such agreement shall be introduced (by request) in the House by the majority leader of the House, for himself or herself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself or herself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such an agreement is transmitted, the approval resolution with respect to such agreement shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. The resolution introduced in the House of Representatives shall be referred to the Committee on Ways and Means and the resolution introduced in the Senate shall be referred to the Committee on Finance.''.

(b) ADDITIONAL REPORTS AND EVALUATIONS.—Section 233 of the Social Security Act (42 U.S.C. 433) is amended by adding at the end the following new subsections:

''(f) BIENNIAL SSA REPORT ON IMPACT OF TOTALIZATION AGREEMENTS.—

''(1) REPORT.—For any totalization agreement transmitted to Congress on or after January 1, 2007, the Commissioner of Social Security shall submit a report to Congress and the Comptroller General that—

''(A) compares the estimates contained in the report submitted to Congress under clauses (i) and (v) of subsection (e)(2)(A) with respect to that agreement with the actual number of individuals affected by the agreement and the actual effect of the agreement on social security system receipts and disbursements; and

''(B) contains recommendations for adjusting the methods used to make the estimates.

''(2) DATES FOR SUBMISSION.—The report required under this subsection shall be provided not later than 2 years after the effective date of the totalization agreement that

is the subject of the report and biennially thereafter.

''(g) GAO EVALUATION AND REPORT.—

''(1) EVALUATION OF INITIAL REPORT ON IMPACT OF TOTALIZATION AGREEMENTS.—With respect to each initial report regarding a totalization agreement submitted under subsection (f), the Comptroller General of the United States shall conduct an evaluation of the report that includes—

''(A) an evaluation of the procedures used for making the estimates required by subsection (e)(2)(A);

''(B) an evaluation of the procedures used for determining the actual number of individuals affected by the agreement and the effects of the totalization agreement on receipts and disbursements under the social security system; and

''(C) such recommendations as the Comptroller General determines appropriate.

''(2) REPORT.—Not later than 1 year after the date of submission of an initial report regarding a totalization agreement under subsection (f), the Comptroller General shall submit to Congress a report setting forth the results of the evaluation conducted under paragraph (1).

''(3) DATA COLLECTION.—The Commissioner of Social Security shall collect and maintain the data necessary for the Comptroller General of the United States to conduct the evaluation required by paragraph (1).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to agreements establishing totalization arrangements entered into under section 233 of the Social Security Act which are transmitted to Congress on or after January 1, 2007.

SA 154. Mr. ENSIGN (for himself, Mr. DEMINT, Mr. GRAHAM, and Mr. COBURN) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; as follows:

At the appropriate place, insert the following:

SEC. ___. NON-GROUP HIGH DEDUCTIBLE HEALTH PLAN PREMIUMS OPTIONS.

(a) IN GENERAL.—Section 223(d)(2)(C) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by adding at the end the following new clause:

''(v) a high deductible health plan, other than a group health plan (as defined in section 5000(b)(1)).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2007.

SA 155. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. COOPERATIVE GOVERNING OF INDIVIDUAL HEALTH INSURANCE COVERAGE.

(a) SPECIFICATION OF CONSTITUTIONAL AUTHORITY FOR ENACTMENT OF LAW.—This section is enacted pursuant to the power granted Congress under article I, section 8, clause 3, of the United States Constitution.

(b) COOPERATIVE GOVERNING OF INDIVIDUAL HEALTH INSURANCE COVERAGE.—

(1) IN GENERAL.—Title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.) is amended by adding at the end the following new part:

''PART D—COOPERATIVE GOVERNING OF INDIVIDUAL HEALTH INSURANCE COVERAGE

''SEC. 2795. DEFINITIONS.

''In this part:

''(1) PRIMARY STATE.—The term 'primary State' means, with respect to individual health insurance coverage offered by a health insurance issuer, the State designated by the issuer as the State whose covered laws shall govern the health insurance issuer in the sale of such coverage under this part. An issuer, with respect to a particular policy, may only designate one such State as its primary State with respect to all such coverage it offers. Such an issuer may not change the designated primary State with respect to individual health insurance coverage once the policy is issued, except that such a change may be made upon renewal of the policy. With respect to such designated State, the issuer is deemed to be doing business in that State.

''(2) SECONDARY STATE.—The term 'secondary State' means, with respect to individual health insurance coverage offered by a health insurance issuer, any State that is not the primary State. In the case of a health insurance issuer that is selling a policy in, or to a resident of, a secondary State, the issuer is deemed to be doing business in that secondary State.

''(3) HEALTH INSURANCE ISSUER.—The term 'health insurance issuer' has the meaning given such term in section 2791(b)(2), except that such an issuer must be licensed in the primary State and be qualified to sell individual health insurance coverage in that State.

''(4) INDIVIDUAL HEALTH INSURANCE COVERAGE.—The term 'individual health insurance coverage' means health insurance coverage offered in the individual market, as defined in section 2791(e)(1).

''(5) APPLICABLE STATE AUTHORITY.—The term 'applicable State authority' means, with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of this title for the State with respect to the issuer.

''(6) HAZARDOUS FINANCIAL CONDITION.—The term 'hazardous financial condition' means that, based on its present or reasonably anticipated financial condition, a health insurance issuer is unlikely to be able—

''(A) to meet obligations to policyholders with respect to known claims and reasonably anticipated claims; or

''(B) to pay other obligations in the normal course of business.

''(7) COVERED LAWS.—The term 'covered laws' means the laws, rules, regulations, agreements, and orders governing the insurance business pertaining to—

''(A) individual health insurance coverage issued by a health insurance issuer;

''(B) the offer, sale, and issuance of individual health insurance coverage to an individual; and

''(C) the provision to an individual in relation to individual health insurance coverage of—

''(i) health care and insurance related services;

''(ii) management, operations, and investment activities of a health insurance issuer; and

''(iii) loss control and claims administration for a health insurance issuer with respect to liability for which the issuer provides insurance.

''(8) STATE.—The term 'State' means only the 50 States and the District of Columbia.

''(9) UNFAIR CLAIMS SETTLEMENT PRACTICES.—The term 'unfair claims settlement practices' means only the following practices:

''(A) Knowingly misrepresenting to claimants and insured individuals relevant facts or policy provisions relating to coverage at issue.

''(B) Failing to acknowledge with reasonable promptness pertinent communications with respect to claims arising under policies.

''(C) Failing to adopt and implement reasonable standards for the prompt investigation and settlement of claims arising under policies.

''(D) Failing to effectuate prompt, fair, and equitable settlement of claims submitted in which liability has become reasonably clear.

''(E) Refusing to pay claims without conducting a reasonable investigation.

''(F) Failing to affirm or deny coverage of claims within a reasonable period of time after having completed an investigation related to those claims.

''(10) FRAUD AND ABUSE.—The term 'fraud and abuse' means an act or omission committed by a person who, knowingly and with intent to defraud, commits, or conceals any material information concerning, one or more of the following:

''(A) Presenting, causing to be presented or preparing with knowledge or belief that it will be presented to or by an insurer, a reinsurer, broker or its agent, false information as part of, in support of or concerning a fact material to one or more of the following:

''(i) An application for the issuance or renewal of an insurance policy or reinsurance contract.

''(ii) The rating of an insurance policy or reinsurance contract.

''(iii) A claim for payment or benefit pursuant to an insurance policy or reinsurance contract.

''(iv) Premiums paid on an insurance policy or reinsurance contract.

''(v) Payments made in accordance with the terms of an insurance policy or reinsurance contract.

''(vi) A document filed with the commissioner or the chief insurance regulatory official of another jurisdiction.

''(vii) The financial condition of an insurer or reinsurer.

''(viii) The formation, acquisition, merger, reconsolidation, dissolution or withdrawal from one or more lines of insurance or reinsurance in all or part of a State by an insurer or reinsurer.

''(ix) The issuance of written evidence of insurance.

''(x) The reinstatement of an insurance policy.

''(B) Solicitation or acceptance of new or renewal insurance risks on behalf of an insurer, reinsurer, or other person engaged in the business of insurance by a person who knows or should know that the insurer or other person responsible for the risk is insolvent at the time of the transaction.

''(C) Transaction of the business of insurance in violation of laws requiring a license, certificate of authority, or other legal authority for the transaction of the business of insurance.

''(D) Attempt to commit, aiding or abetting in the commission of, or conspiracy to commit the acts or omissions specified in this paragraph.

''SEC. 2796. APPLICATION OF LAW.

''(a) IN GENERAL.—The covered laws of the primary State shall apply to individual health insurance coverage offered by a

health insurance issuer in the primary State and in any secondary State, but only if the coverage and issuer comply with the conditions of this section with respect to the offering of coverage in any secondary State.

''(b) EXEMPTIONS FROM COVERED LAWS IN A SECONDARY STATE.—Except as provided in this section, a health insurance issuer with respect to its offer, sale, renewal, and issuance of individual health insurance coverage in any secondary State is exempt from any covered laws of the secondary State (and any rules, regulations, agreements, or orders sought or issued by such State under or related to such covered laws) to the extent that such laws would—

''(1) make unlawful, or regulate, directly or indirectly, the operation of the health insurance issuer operating in the secondary State, except that any secondary State may require such an issuer—

''(A) to pay, on a nondiscriminatory basis, applicable premium and other taxes (including high risk pool assessments) which are levied on insurers and surplus lines insurers, brokers, or policyholders under the laws of the State;

''(B) to register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process;

''(C) to submit to an examination of its financial condition by the State insurance commissioner in any State in which the issuer is doing business to determine the issuer's financial condition, if—

''(i) the State insurance commissioner of the primary State has not done an examination within the period recommended by the National Association of Insurance Commissioners; and

''(ii) any such examination is conducted in accordance with the examiners' handbook of the National Association of Insurance Commissioners and is coordinated to avoid unjustified duplication and unjustified repetition;

''(D) to comply with a lawful order issued—

''(i) in a delinquency proceeding commenced by the State insurance commissioner if there has been a finding of financial impairment under subparagraph (C); or

''(ii) in a voluntary dissolution proceeding;

''(E) to comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance commissioner alleging that the issuer is in hazardous financial condition;

''(F) to participate, on a nondiscriminatory basis, in any insurance insolvency guaranty association or similar association to which a health insurance issuer in the State is required to belong;

''(G) to comply with any State law regarding fraud and abuse (as defined in section 2795(10)), except that if the State seeks an injunction regarding the conduct described in this subparagraph, such injunction must be obtained from a court of competent jurisdiction; or

''(H) to comply with any State law regarding unfair claims settlement practices (as defined in section 2795(9));

''(2) require any individual health insurance coverage issued by the issuer to be countersigned by an insurance agent or broker residing in that Secondary State; or

''(3) otherwise discriminate against the issuer issuing insurance in both the primary State and in any secondary State.

''(c) CLEAR AND CONSPICUOUS DISCLOSURE.—A health insurance issuer shall provide the following notice, in 12-point bold type, in any insurance coverage offered in a secondary State under this part by such a health insurance issuer and at renewal of the policy, with the 5 blank spaces therein being appropriately filled with the name of the health insurance issuer, the name of primary State, the name of the secondary State, the name of the secondary State, and the name of the secondary State, respectively, for the coverage concerned:

'This policy is issued by _____ and is governed by the laws and regulations of the State of _____, and it has met all the laws of that State as determined by that State's Department of Insurance. This policy may be less expensive than others because it is not subject to all of the insurance laws and regulations of the State of _____, including coverage of some services or benefits mandated by the law of the State of _____. Additionally, this policy is not subject to all of the consumer protection laws or restrictions on rate changes of the State of _____. As with all insurance products, before purchasing this policy, you should carefully review the policy and determine what health care services the policy covers and what benefits it provides, including any exclusions, limitations, or conditions for such services or benefits.'.

''(d) PROHIBITION ON CERTAIN RECLASSIFICATIONS AND PREMIUM INCREASES.—

''(1) IN GENERAL.—For purposes of this section, a health insurance issuer that provides individual health insurance coverage to an individual under this part in a primary or secondary State may not upon renewal—

''(A) move or reclassify the individual insured under the health insurance coverage from the class such individual is in at the time of issue of the contract based on the health-status related factors of the individual; or

''(B) increase the premiums assessed the individual for such coverage based on a health status-related factor or change of a health status-related factor or the past or prospective claim experience of the insured individual.

''(2) CONSTRUCTION.—Nothing in paragraph (1) shall be construed to prohibit a health insurance issuer—

''(A) from terminating or discontinuing coverage or a class of coverage in accordance with subsections (b) and (c) of section 2742;

''(B) from raising premium rates for all policy holders within a class based on claims experience;

''(C) from changing premiums or offering discounted premiums to individuals who engage in wellness activities at intervals prescribed by the issuer, if such premium changes or incentives—

''(i) are disclosed to the consumer in the insurance contract;

''(ii) are based on specific wellness activities that are not applicable to all individuals; and

''(iii) are not obtainable by all individuals to whom coverage is offered;

''(D) from reinstating lapsed coverage; or

''(E) from retroactively adjusting the rates charged an individual insured individual if the initial rates were set based on material misrepresentation by the individual at the time of issue.

''(e) PRIOR OFFERING OF POLICY IN PRIMARY STATE.—A health insurance issuer may not offer for sale individual health insurance coverage in a secondary State unless that coverage is currently offered for sale in the primary State.

''(f) LICENSING OF AGENTS OR BROKERS FOR HEALTH INSURANCE ISSUERS.—Any State may require that a person acting, or offering to act, as an agent or broker for a health insurance issuer with respect to the offering of individual health insurance coverage obtain a license from that State, except that a State many not impose any qualification or requirement which discriminates against a nonresident agent or broker.

''(g) DOCUMENTS FOR SUBMISSION TO STATE INSURANCE COMMISSIONER.—Each health insurance issuer issuing individual health insurance coverage in both primary and secondary States shall submit—

''(1) to the insurance commissioner of each State in which it intends to offer such coverage, before it may offer individual health insurance coverage in such State—

''(A) a copy of the plan of operation or feasibility study or any similar statement of the policy being offered and its coverage (which shall include the name of its primary State and its principal place of business);

''(B) written notice of any change in its designation of its primary State; and

''(C) written notice from the issuer of the issuer's compliance with all the laws of the primary State; and

''(2) to the insurance commissioner of each secondary State in which it offers individual health insurance coverage, a copy of the issuer's quarterly financial statement submitted to the primary State, which statement shall be certified by an independent public accountant and contain a statement of opinion on loss and loss adjustment expense reserves made by—

''(A) a member of the American Academy of Actuaries; or

''(B) a qualified loss reserve specialist.

''(h) POWER OF COURTS TO ENJOIN CONDUCT.—Nothing in this section shall be construed to affect the authority of any Federal or State court to enjoin—

''(1) the solicitation or sale of individual health insurance coverage by a health insurance issuer to any person or group who is not eligible for such insurance; or

''(2) the solicitation or sale of individual health insurance coverage by, or operation of, a health insurance issuer that is in hazardous financial condition.

''(i) STATE POWERS TO ENFORCE STATE LAWS.—

''(1) IN GENERAL.—Subject to the provisions of subsection (b)(1)(G) (relating to injunctions) and paragraph (2), nothing in this section shall be construed to affect the authority of any State to make use of any of its powers to enforce the laws of such State with respect to which a health insurance issuer is not exempt under subsection (b).

''(2) COURTS OF COMPETENT JURISDICTION.—If a State seeks an injunction regarding the conduct described in paragraphs (1) and (2) of subsection (h), such injunction must be obtained from a Federal or State court of competent jurisdiction.

''(j) STATES' AUTHORITY TO SUE.—Nothing in this section shall affect the authority of any State to bring action in any Federal or State court.

''(k) GENERALLY APPLICABLE LAWS.—Nothing in this section shall be construed to affect the applicability of State laws generally applicable to persons or corporations.

''SEC. 2797. PRIMARY STATE MUST MEET FEDERAL FLOOR BEFORE ISSUER MAY SELL INTO SECONDARY STATES.

''A health insurance issuer may not offer, sell, or issue individual health insurance coverage in a secondary State if the primary State does not meet the following requirements:

''(1) The State insurance commissioner must use a risk-based capital formula for the determination of capital and surplus requirements for all health insurance issuers.

''(2) The State must have legislation or regulations in place establishing an independent review process for individuals who are covered by individual health insurance coverage unless the issuer provides an independent review mechanism functionally equivalent (as determined by the primary State insurance commissioner or official) to

that prescribed in the 'Health Carrier External Review Model Act' of the National Association of Insurance Commissioners for all individuals who purchase insurance coverage under the terms of this part.

"SEC. 2798. ENFORCEMENT.

''(a) IN GENERAL.—Subject to subsection (b), with respect to specific individual health insurance coverage the primary State for such coverage has sole jurisdiction to enforce the primary State's covered laws in the primary State and any secondary State.

''(b) SECONDARY STATE'S AUTHORITY.—Nothing in subsection (a) shall be construed to affect the authority of a secondary State to enforce its laws as set forth in the exception specified in section 2796(b)(1).

''(c) COURT INTERPRETATION.—In reviewing action initiated by the applicable secondary State authority, the court of competent jurisdiction shall apply the covered laws of the primary State.

''(d) NOTICE OF COMPLIANCE FAILURE.—In the case of individual health insurance coverage offered in a secondary State that fails to comply with the covered laws of the primary State, the applicable State authority of the secondary State may notify the applicable State authority of the primary State.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to individual health insurance coverage offered, issued, or sold after the date of the enactment of this Act.

(c) SEVERABILITY.—If any provision of this section or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this section and the application of the provisions of such to any other person or circumstance shall not be affected.

SEC. ___. DISPOSITION OF UNUSED HEALTH BENEFITS IN CAFETERIA PLANS AND FLEXIBLE SPENDING ARRANGEMENTS.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following:

''(h) CONTRIBUTIONS OF CERTAIN UNUSED HEALTH BENEFITS.—

''(1) IN GENERAL.—For purposes of this title, a plan or other arrangement shall not fail to be treated as a cafeteria plan solely because qualified benefits under such plan include a health flexible spending arrangement under which not more than $500 of unused health benefits may be—

''(A) carried forward to the succeeding plan year of such health flexible spending arrangement, or

''(B) to the extent permitted by section 106(d), contributed by the employer to a health savings account (as defined in section 223(d)) maintained for the benefit of the employee.

''(2) HEALTH FLEXIBLE SPENDING ARRANGEMENT.—For purposes of this subsection, the term 'health flexible spending arrangement' means a flexible spending arrangement (as defined in section 106(c)) that is a qualified benefit and only permits reimbursement for expenses for medical care (as defined in section 213(d)(1), without regard to subparagraphs (C) and (D) thereof).

''(3) UNUSED HEALTH BENEFITS.—For purposes of this subsection, with respect to an employee, the term 'unused health benefits' means the excess of—

''(A) the maximum amount of reimbursement allowable to the employee for a plan year under a health flexible spending arrangement, over

''(B) the actual amount of reimbursement for such year under such arrangement.''.

(b) REPEAL OF FSA TERMINATION PROVISION.—

(1) IN GENERAL.—Subsection (e) of section 106 of the Internal Revenue Code of 1986, as added by the Tax Relief and Health Care Act of 2006, is amended by striking ''health flexible spending arrangement or'' each place it appears.

(2) CONFORMING AMENDMENTS.—

(A) The heading of section 106(e) of such Code is amended by striking ''FSA OR''.

(B) Section 223(c)(1)(B)(iii)(II) of such Code, as added by the Tax Relief and Health Care Act of 2006, is amended to read as follows:

''(II) the balance of such arrangement is contributed by the employer to a health savings account of the individual under section 125(h)(1)(B), in accordance with rules prescribed by the Secretary.''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2010.

SEC. ___. EXPANSION OF USE OF HEALTH SAVINGS ACCOUNTS FOR HEALTH INSURANCE PREMIUM PAYMENTS FOR CERTAIN HIGH DEDUCTIBLE HEALTH PLANS.

(a) IN GENERAL.—Subparagraph (C) of section 223(d)(2) of the Internal Revenue Code of 1986 (relating to qualified medical expenses) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv), and by adding at the end the following new clause:

''(v) any high deductible health plan other than a group health plan (as defined in section 5000(b)(1)).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2006.

SA 156. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. DISPOSITION OF UNUSED HEALTH BENEFITS IN CAFETERIA PLANS AND FLEXIBLE SPENDING ARRANGEMENTS.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following:

''(h) CONTRIBUTIONS OF CERTAIN UNUSED HEALTH BENEFITS.—

''(1) IN GENERAL.—For purposes of this title, a plan or other arrangement shall not fail to be treated as a cafeteria plan solely because qualified benefits under such plan include a health flexible spending arrangement under which not more than $500 of unused health benefits may be—

''(A) carried forward to the succeeding plan year of such health flexible spending arrangement, or

''(B) to the extent permitted by section 106(d), contributed by the employer to a health savings account (as defined in section 223(d)) maintained for the benefit of the employee.

''(2) HEALTH FLEXIBLE SPENDING ARRANGEMENT.—For purposes of this subsection, the term 'health flexible spending arrangement' means a flexible spending arrangement (as defined in section 106(c)) that is a qualified benefit and only permits reimbursement for expenses for medical care (as defined in section 213(d)(1), without regard to subparagraphs (C) and (D) thereof).

''(3) UNUSED HEALTH BENEFITS.—For purposes of this subsection, with respect to an employee, the term 'unused health benefits' means the excess of—

''(A) the maximum amount of reimbursement allowable to the employee for a plan year under a health flexible spending arrangement, over

''(B) the actual amount of reimbursement for such year under such arrangement.''.

(b) REPEAL OF FSA TERMINATION PROVISION.—

(1) IN GENERAL.—Subsection (e) of section 106 of the Internal Revenue Code of 1986, as added by the Tax Relief and Health Care Act of 2006, is amended by striking ''health flexible spending arrangement or'' each place it appears.

(2) CONFORMING AMENDMENTS.—

(A) The heading of section 106(e) of such Code is amended by striking ''FSA OR''.

(B) Section 223(c)(1)(B)(iii)(II) of such Code, as added by the Tax Relief and Health Care Act of 2006, is amended to read as follows:

''(II) the balance of such arrangement is contributed by the employer to a health savings account of the individual under section 125(h)(1)(B), in accordance with rules prescribed by the Secretary.''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2010.

SA 157. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

In section 2 of the bill, strike subsection (a) and insert the following:

(a) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than—

''(A) beginning on the 60th day after the date of enactment of the Fair Minimum Wage Act of 2007, an amount equal to the minimum wage in effect on such date in the State in which such employee is employed (whether as a result of the application of Federal or State law) increased by $0.70;

''(B) beginning 12 months after that 60th day, the amount that would be determined under subparagraph (A) by substituting '$1.40' for '$0.70'; and

''(C) beginning 24 months after that 60th day, the amount that would be determined under subparagraph (A) by substituting '$2.10' for '$0.70';''.

SA 158. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

In section 101 of the amendment, strike subsection (a) and insert the following:

(a) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than—

''(A) beginning on the 60th day after the date of enactment of the Fair Minimum Wage Act of 2007, an amount equal to the minimum wage in effect on such date in the State in which such employee is employed (whether as a result of the application of Federal or State law) increased by $0.70;

''(B) beginning 12 months after that 60th day, the amount that would be determined under subparagraph (A) by substituting '$1.40' for '$0.70'; and

''(C) beginning 24 months after that 60th day, the amount that would be determined under subparagraph (A) by substituting '$2.10' for '$0.70';''.

SA 159. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PROTECTION OF WORKERS' POLITICAL RIGHTS.

Title III of the Labor Management Relations Act, 1947 (29 U.S.C. 185 et seq.) is amended by adding at the end the following:

"SEC. 304. PROTECTION OF WORKER'S POLITICAL RIGHTS.

''(a) PROHIBITION.—Except with the separate, prior, written, voluntary authorization of an individual, it shall be unlawful for any labor organization to collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used to lobby members of Congress or Congressional staff for the purpose of influencing legislation.

''(b) AUTHORIZATION.—An authorization described in subsection (a) shall remain in effect until revoked and may be revoked at any time.''.

SA 160. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. DEFERRED PAYMENT OF TAX BY CERTAIN SMALL BUSINESSES.

(a) IN GENERAL.—Subchapter B of chapter 62 (relating to extensions of time for payment of tax) is amended by adding at the end the following new section:

"SEC. 6168. EXTENSION OF TIME FOR PAYMENT OF TAX FOR CERTAIN SMALL BUSINESSES.

''(a) IN GENERAL.—An eligible small business may elect to pay the tax imposed by chapter 1 in 4 equal installments.

''(b) LIMITATION.—The maximum amount of tax which may be paid in installments under this section for any taxable year shall not exceed whichever of the following is the least:

''(1) The tax imposed by chapter 1 for the taxable year.

''(2) The amount contributed by the taxpayer into a BRIDGE Account during such year.

''(3) The excess of $250,000 over the aggregate amount of tax for which an election under this section was made by the taxpayer (or any predecessor) for all prior taxable years.

''(c) ELIGIBLE SMALL BUSINESS.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible small business' means, with respect to any taxable year, any person if—

''(A) such person meets the active business requirements of section 1202(e) throughout such taxable year,

''(B) the taxpayer has gross receipts of $10,000,000 or less for the taxable year,

''(C) the gross receipts of the taxpayer for such taxable year are at least 10 percent greater than the average annual gross receipts of the taxpayer (or any predecessor) for the 2 prior taxable years, and

''(D) the taxpayer uses an accrual method of accounting.

''(2) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply for purposes of this subsection.

''(d) DATE FOR PAYMENT OF INSTALLMENTS; TIME FOR PAYMENT OF INTEREST.—

''(1) DATE FOR PAYMENT OF INSTALLMENTS.—

''(A) IN GENERAL.—If an election is made under this section for any taxable year, the first installment shall be paid on or before the due date for such installment and each succeeding installment shall be paid on or before the date which is 1 year after the date prescribed by this paragraph for payment of the preceding installment.

''(B) DUE DATE FOR FIRST INSTALLMENT.—The due date for the first installment for a taxable year shall be whichever of the following is the earliest:

''(i) The date selected by the taxpayer.

''(ii) The date which is 2 years after the date prescribed by section 6151(a) for payment of the tax for such taxable year.

''(2) TIME FOR PAYMENT OF INTEREST.—If the time for payment of any amount of tax has been extended under this section—

''(A) INTEREST FOR PERIOD BEFORE DUE DATE OF FIRST INSTALLMENT.—Interest payable under section 6601 on any unpaid portion of such amount attributable to the period before the due date for the first installment shall be paid annually.

''(B) INTEREST DURING INSTALLMENT PERIOD.—Interest payable under section 6601 on any unpaid portion of such amount attributable to any period after such period shall be paid at the same time as, and as a part of, each installment payment of the tax.

''(C) INTEREST IN THE CASE OF CERTAIN DEFICIENCIES.—In the case of a deficiency to which subsection (e)(3) applies for a taxable year which is assessed after the due date for the first installment for such year, interest attributable to the period before such due date, and interest assigned under subparagraph (B) to any installment the date for payment of which has arrived on or before the date of the assessment of the deficiency, shall be paid upon notice and demand from the Secretary.

''(e) SPECIAL RULES.—

''(1) APPLICATION OF LIMITATION TO PARTNERS AND S CORPORATION SHAREHOLDERS.—

''(A) IN GENERAL.—In applying this section to a partnership which is an eligible small business—

''(i) the election under subsection (a) shall be made by the partnership,

''(ii) the amount referred to in subsection (b)(1) shall be the sum of each partner's tax which is attributable to items of the partnership and assuming the highest marginal rate under section 1, and

''(iii) the partnership shall be treated as the taxpayer referred to in paragraphs (2) and (3) of subsection (b).

''(B) OVERALL LIMITATION ALSO APPLIED AT PARTNER LEVEL.—In the case of a partner in a partnership, the limitation under subsection (b)(3) shall be applied at the partnership and partner levels.

''(C) SIMILAR RULES FOR S CORPORATIONS.—Rules similar to the rules of subparagraphs (A) and (B) shall apply to shareholders in an S corporation.

''(2) ACCELERATION OF PAYMENT IN CERTAIN CASES.—

''(A) IN GENERAL.—If—

''(i) the taxpayer ceases to meet the requirement of subsection (c)(1)(A), or

''(ii) there is an ownership change with respect to the taxpayer,

then the extension of time for payment of tax provided in subsection (a) shall cease to apply, and the unpaid portion of the tax payable in installments shall be paid on or before the due date for filing the return of tax imposed by chapter 1 for the first taxable year following such cessation.

''(B) OWNERSHIP CHANGE.—For purposes of subparagraph, in the case of a corporation, the term 'ownership change' has the meaning given to such term by section 382. Rules similar to the rules applicable under the preceding sentence shall apply to a partnership.

''(3) PRORATION OF DEFICIENCY TO INSTALLMENTS.—Rules similar to the rules of section 6166(e) shall apply for purposes of this section.

''(f) BRIDGE ACCOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'BRIDGE Account' means a trust created or organized in the United States for the exclusive benefit of an eligible small business, but only if the written governing instrument creating the trust meets the following requirements:

''(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deferral under subsection (b) for such year.

''(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

''(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

''(D) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

''(E) Amounts in the trust may be used only—

''(i) as security for a loan to the business or for repayment of such loan, or

''(ii) to pay the installments under this section.

''(2) ACCOUNT TAXED AS GRANTOR TRUST.—The grantor of a BRIDGE Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

''(3) TIME WHEN PAYMENTS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a BRIDGE Account on the last day of a taxable year if such payment is made on account of such taxable year and is made within 3½ months after the close of such taxable year.

''(g) REPORTS.—The Secretary may require such reporting as the Secretary determines to be appropriate to carry out this section.

''(h) APPLICATION OF SECTION.—This section shall apply to taxes imposed for taxable years beginning after December 31, 2010, and before January 1, 2015.''

(b) PRIORITY OF LENDER.—Subsection (b) of section 6323 is amended by adding at the end the following new paragraph:

''(11) LOANS SECURED BY BRIDGE ACCOUNTS.—With respect to a BRIDGE account (as defined in section 6168(f)) with any bank (as defined in section 408(n)), to the extent of any loan made by such bank without actual notice or knowledge of the existence of such lien, as against such bank, if such loan is secured by such account.''

(c) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 62 is amended by adding at the end the following new item:

''Sec. 6168. Extension of time for payment of tax for certain small businesses.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2010.

(e) STUDY BY GENERAL ACCOUNTING OFFICE.—

(1) STUDY.—In consultation with the Secretary of the Treasury, the Comptroller General of the United States shall undertake a study to evaluate the applicability (including administrative aspects) and impact of the BRIDGE Act of 2007 including how it affects the capital funding needs of businesses under the Act and number of businesses benefitting.

(2) REPORT.—Not later than March 31, 2014, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

SA 161. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. FLEXIBLE SCHEDULE PROGRAMS.

(a) PROHIBITION OF USE OF FLEXIBLE SCHEDULES FOR FEDERAL EMPLOYEES UNTIL FLEXIBLE SCHEDULES ARE AVAILABLE TO PRIVATE EMPLOYEES.—

(1) PROHIBITION OF USE OF FLEXIBLE SCHEDULES FOR FEDERAL EMPLOYEES.—Notwithstanding any provision of subchapter II of chapter 61 of title 5, United States Code, no agency may establish, administer, or use any flexible schedule program authorized under section 6122 of that title.

(2) EFFECTIVE DATE.—Paragraph (1) shall take effect 1 year after the date of enactment of this Act, unless during such 1 year period, the Secretary of Labor submits certification to the Office of Personnel Management that a statute has been enacted that allows employers covered by the Fair Labor Standards Act of 1938 to provide for the use of a flexible schedule similar to the flexible schedule program authorized under section 6122 of title 5, United States Code, for employees engaged in commerce or in the production of goods for commerce.

(b) TERMINATION OF PROHIBITION.—If the prohibition under subsection (a) takes effect, that subsection shall cease to have any force or effect on the date that the Secretary of Labor submits a certification described in subsection (a)(2) to the Office of Personnel Management.

SA 162. Mr. DEMINT submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. ENTERPRISE ENGAGED IN COMMERCE.

(a) ANNUAL GROSS VOLUME OF SALES.—Section 3(s)(1)(A)(ii) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(s)(1)(A)(ii)) is amended by striking ''$500,000'' and inserting ''$1,080,000''.

(b) APPLICABILITY OF MINIMUM WAGE.—Section 6 of the Fair Labor Standards Act of 1938 (20 U.S.C. 206) is amended—

(1) in subsection (a), by striking ''is engaged in commerce or in the production of goods for commerce, or''; and

(2) in subsection (b), by striking ''is engaged in commerce or in the production of goods for commerce, or''.

SA 163. Ms. SNOWE (for herself and Mr. FEINGOLD) submitted an amendment intended to be proposed by her to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. EQUAL ACCESS FOR SMALL PARTIES IN CIVIL AND ADMINISTRATIVE PROCEEDINGS.

(a) ELIGIBILITY OF SMALL BUSINESSES FOR FEE AWARD.—

(1) ADMINISTRATIVE PROCEEDINGS.—

(A) IN GENERAL.—Section 504(b)(1)(B)(ii) of title 5, United States Code, is amended by striking ''$7,000,000'' and inserting ''$10,000,000''.

(B) ADJUSTMENT IN NET WORTH LIMITATION.—Section 504(b) of title 5, United States Code, is amended by adding at the end the following:

''(3) Beginning on January 1 of the 5th year following the date of enactment of this paragraph, and on January 1 every 5 years thereafter, the dollar amount under paragraph (1)(B)(ii) shall be adjusted by the Producer Price Index as determined by the Secretary of the Treasury, in collaboration with the Bureau of Labor Statistics.''.

(2) JUDICIAL PROCEEDINGS.—

(A) IN GENERAL.—Section 2412(d)(2)(B)(ii) of title 28, United States Code, is amended by striking ''$7,000,000'' and inserting ''$10,000,000''.

(B) ADJUSTMENT IN NET WORTH LIMITATION.—Section 2412(d) of title 28, United States Code, is amended by adding at the end the following:

''(5) Beginning on January 1 of the 5th year following the date of enactment of this paragraph, and on January 1 every 5 years thereafter, the dollar amount under paragraph (2)(B)(ii) shall be adjusted by the Producer Price Index as determined by the Secretary of the Treasury, in collaboration with the Bureau of Labor Statistics.''.

(b) ELIMINATION OF RATE CAP.—

(1) ADMINISTRATIVE PROCEEDINGS.—Section 504(b)(1)(A) of title 5, United States Code, is amended—

(A) by striking ''(i)''; and

(B) by striking ''by the agency involved'' and all that follows through ''a higher fee'' and inserting ''by the agency involved''.

(2) JUDICIAL PROCEEDINGS.—Section 2412(d)(2)(A) of title 28, United States Code, is amended—

(A) by striking ''(i)''; and

(B) by striking ''by the United States'' and all that follows through ''a higher fee'' and inserting ''by the United States''.

(c) APPLICABILITY.—The amendments made by this section shall—

(1) take effect 30 days after the date of the enactment of this Act; and

(2) apply to any proceeding pending on, or commenced on or after, the effective date of this section.

SA 164. Ms. SNOWE submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REGULATORY FLEXIBILITY REFORM FOR SMALL BUSINESSES.

(a) REQUIREMENTS PROVIDING FOR MORE DETAILED ANALYSES.—

(1) INITIAL REGULATORY FLEXIBILITY ANALYSIS.—Section 603 of title 5, United States Code, is amended by adding at the end the following:

''(d) An agency shall notify the Chief Counsel for Advocacy of the Small Business Administration of any draft rules that may have a significant economic impact on a substantial number of small entities either—

''(1) when the agency submits a draft rule to the Office of Information and Regulatory Affairs at the Office of Management and Budget under Executive Order 12866, if that order requires such submission; or

''(2) if no submission to the Office of Information and Regulatory Affairs is so required, at a reasonable time prior to publication of the rule by the agency.''.

(2) FINAL REGULATORY FLEXIBILITY ANALYSIS.—

(A) INCLUSION OF RESPONSE TO COMMENTS ON CERTIFICATION OF PROPOSED RULE.—Section 604(a)(2) of title 5, United States Code, is amended by inserting ''(or certification of the proposed rule under section 605(b))'' after ''initial regulatory flexibility analysis''.

(B) INCLUSION OF RESPONSE TO COMMENTS FILED BY CHIEF COUNSEL FOR ADVOCACY.—Section 604(a) of title 5, United States Code, is amended by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively, and inserting after paragraph (2) the following:

''(3) the response of the agency to any comments filed by the Chief Counsel for Advocacy of the Small Business Administration in response to the proposed rule, and a detailed statement of any changes made to the proposed rule in the final rule as a result of such comments;''.

(C) PUBLICATION OF ANALYSIS ON WEB SITE, ETC.—Section 604(b) of title 5, United States Code, is amended to read as follows:

''(b) The agency shall make copies of the final regulatory flexibility analysis available to the public, including placement of the entire analysis on the agency's Web site, and shall publish in the Federal Register the final regulatory flexibility analysis, or a summary thereof that includes the telephone number, mailing address, and link to the Web site where the complete analysis may be obtained.''.

(3) CROSS-REFERENCES TO OTHER ANALYSES.—Section 605(a) of title 5, United States Code, is amended to read as follows:

''(a) A Federal agency shall be treated as satisfying any requirement regarding the content of an agenda or regulatory flexibility analysis under section 602, 603, or 604, if such agency provides in such agenda or analysis a cross-reference to the specific portion of another agenda or analysis that is required by any other law and which satisfies such requirement.''.

(4) CERTIFICATIONS.—The second sentence of section 605(b) of title 5, United States Code, is amended—

(A) by inserting ''detailed'' before ''statement''; and

(B) by inserting ''and legal'' after ''factual''.

(5) QUANTIFICATION REQUIREMENTS.—Section 607 of title 5, United States Code, is amended to read as follows:

''§ 607. Quantification requirements

''In complying with sections 603 and 604, an agency shall provide—

''(1) a quantifiable or numerical description of the effects of the proposed or final rule and alternatives to the proposed or final rule; or

''(2) a more general descriptive statement and a detailed statement explaining why quantification is not practicable or reliable.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) HEADING.—The heading of section 605 of title 5, United States Code, is amended to read as follows:

''§ 605. Incorporations by reference and certifications''.

(2) TABLE OF SECTIONS.—The table of sections for chapter 6 of title 5, United States Code, is amended—

(A) by striking the item relating to section 605 and inserting the following:

''605. Incorporations by reference and certifications.''; and

(B) by striking the item relating to section 607 and inserting the following:

''607. Quantification requirements.''.

SA 165. Mr. SMITH (for himself and Mr. BINGAMAN) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. _____. TREATMENT OF CERTAIN PENSION PLANS OF INDIAN TRIBAL GOVERNMENTS.

(a) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—The last sentence of section 414(d) of the Internal Revenue Code of 1986 (definition of governmental plan) is amended to read as follows: ''The term 'governmental plan' includes a plan established or maintained for its employees by an Indian tribal government (as defined in section 7701(a)(40)), a subdivision of an Indian tribal government (determined in accordance with section 7871(d)), an agency instrumentality (or subdivision) of an Indian tribal government, or an entity established under Federal, State, or tribal law which is wholly owned or controlled by any of the foregoing.''.

(b) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—The last sentence of section 3(32) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(32)) is amended to read as follows: ''The term 'governmental plan' includes a plan established or maintained for its employees by an Indian tribal government (as defined in section 7701(a)(40) of the Internal Revenue Code of 1986), a subdivision of an Indian tribal government (determined in accordance with section 7871(d) of such Code), an agency instrumentality (or subdivision) of an Indian tribal government, or an entity established under Federal, State, or tribal law that is wholly owned or controlled by any of the foregoing.''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (14) of section 4021(b) of such Act (29 U.S.C. 1321(b)(14)) is amended to read as follows:

''(14) established or maintained for its employees by an Indian tribal government (as defined in section 7701(a)(40) of the Internal Revenue Code of 1986), a subdivision of an Indian tribal government (determined in accordance with section 7871(d) of such Code), an agency instrumentality (or subdivision) of an Indian tribal government, or an entity established under Federal, State, or tribal law that is wholly owned or controlled by any of the foregoing.''.

(B) Section 4021(b)(2) of such Act (29 U.S.C. 1321(b)(2) is amended by striking ''or which is described in the last sentence of section 3(32)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 906 of the Pension Protection Act of 2006.

SA 166. Mr. SMITH submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. EXPANSION OF DEDUCTION FOR HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended to read as follows:

''(1) ALLOWANCE OF DEDUCTION.—In the case of a taxpayer who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for—

''(A) the taxpayer,

''(B) the taxpayer's spouse,

''(C) the taxpayer's dependents,

''(D) any individual—

''(i) who was not the spouse, determined without regard to section 7703, of the taxpayer at any time during the taxable year of the taxpayer,

''(ii) who—

''(I) has not attained the age of 19 as of the close of the calendar year in which the taxable year of the taxpayer begins, or

''(II) is a student who has not attained the age of 24 as of the close of such calendar year,

''(iii) who, for the taxable year of the taxpayer, has the same principal place of abode as the taxpayer and is a member of the taxpayer's household, and

''(iv) with respect to whom the taxpayer provides over one-half of the individual's support for the calendar year in which the taxpayer's taxable year begins, and

''(E) an individual—

''(i) who is designated by the taxpayer for purposes of this paragraph,

''(ii) who is not the spouse or qualifying child of such taxpayer or any other taxpayer for any taxable year beginning in the calendar year in which the taxpayer's taxable year begins, and

''(iii) who, for the taxable year of the taxpayer, has the same principal place of abode as the taxpayer and is a member of the taxpayer's household.

For purposes of subparagraph (E)(i), not more than 1 person may be designated by the taxpayer for any taxable year.''.

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 162(l)(2) of the Internal Revenue Code of 1986 is amended by striking ''or of the spouse of the taxpayer'' and inserting '', of the spouse of the taxpayer, or of any individual described in paragraph (1)(E)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SA 167. Mrs. FEINSTEIN (for herself and Mr. CRAIG) submitted an amendment intended to be proposed to amendment SA 118 submitted by Mr. CHAMBLISS (for himself, Mr. ISAKSON, and Mr. BURR) and intended to be proposed to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

TITLE II—AGJOBS ACT OF 2007

SEC. 201. SHORT TITLE.

This title may be cited as the ''Agricultural Job Opportunities, Benefits, and Security Act of 2007'' or the ''AgJOBS Act of 2007''.

SEC. 202. DEFINITIONS.

In this title:

(1) AGRICULTURAL EMPLOYMENT.—The term ''agricultural employment'' means any service or activity that is considered to be agricultural under section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or agricultural labor under section 3121(g) of the Internal Revenue Code of 1986 or the performance of agricultural labor or services described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a)).

(2) BLUE CARD STATUS.—The term ''blue card status'' means the status of an alien who has been lawfully admitted into the United States for temporary residence under section 211(a).

(3) DEPARTMENT.—The term ''Department'' means the Department of Homeland Security.

(4) EMPLOYER.—The term ''employer'' means any person or entity, including any farm labor contractor and any agricultural association, that employs workers in agricultural employment.

(5) SECRETARY.—Except as otherwise provided, the term ''Secretary'' means the Secretary of Homeland Security.

(6) TEMPORARY.—A worker is employed on a ''temporary'' basis when the employment is intended not to exceed 10 months.

(7) WORK DAY.—The term ''work day'' means any day in which the individual is employed 5.75 or more hours in agricultural employment.

Subtitle A—Pilot Program for Earned Status Adjustment of Agricultural Workers

PART I—BLUE CARD STATUS

SEC. 211. REQUIREMENTS FOR BLUE CARD STATUS.

(a) REQUIREMENT TO GRANT BLUE CARD STATUS.—Notwithstanding any other provision of law, the Secretary shall, pursuant to the requirements of this section, grant blue card status to an alien who qualifies under this section if the Secretary determines that the alien—

(1) has performed agricultural employment in the United States for at least 863 hours or 150 work days during the 24-month period ending on December 31, 2006;

(2) applied for such status during the 18-month application period beginning on the first day of the seventh month that begins after the date of enactment of this Act;

(3) is otherwise admissible to the United States under section 212 of the Immigration and Nationality Act (8 U.S.C. 1182), except as otherwise provided under section 215(b); and

(4) has not been convicted of any felony or a misdemeanor, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500.

(b) AUTHORIZED TRAVEL.—An alien who is granted blue card status is authorized to travel outside the United States (including commuting to the United States from a residence in a foreign country) in the same manner as an alien lawfully admitted for permanent residence.

(c) AUTHORIZED EMPLOYMENT.—The Secretary shall provide an alien who is granted

blue card status an employment authorized endorsement or other appropriate work permit, in the same manner as an alien lawfully admitted for permanent residence.

(d) TERMINATION OF BLUE CARD STATUS.—

(1) IN GENERAL.—The Secretary may terminate blue card status granted to an alien under this section only if the Secretary determines that the alien is deportable.

(2) GROUNDS FOR TERMINATION OF BLUE CARD STATUS.—Before any alien becomes eligible for adjustment of status under section 213, the Secretary may deny adjustment to permanent resident status and provide for termination of the blue card status granted such alien under paragraph (1) if—

(A) the Secretary finds, by a preponderance of the evidence, that the adjustment to blue card status was the result of fraud or willful misrepresentation (as described in section 212(a)(6)(C)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(i)); or

(B) the alien—

(i) commits an act that makes the alien inadmissible to the United States as an immigrant, except as provided under section 215(b);

(ii) is convicted of a felony or 3 or more misdemeanors committed in the United States;

(iii) is convicted of an offense, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500; or

(iv) fails to perform the agricultural employment required under section 213(a)(1)(A) unless the alien was unable to work in agricultural employment due to the extraordinary circumstances described in section 213(a)(3).

(e) RECORD OF EMPLOYMENT.—

(1) IN GENERAL.—Each employer of an alien granted blue card status under this section shall annually—

(A) provide a written record of employment to the alien; and

(B) provide a copy of such record to the Secretary.

(2) SUNSET.—The obligation under paragraph (1) shall terminate on the date that is 6 years after the date of the enactment of this Act.

(f) REQUIRED FEATURES OF IDENTITY CARD.—The Secretary shall provide each alien granted blue card status, and the spouse and any child of each such alien residing in the United States, with a card that contains—

(1) an encrypted, machine-readable, electronic identification strip that is unique to the alien to whom the card is issued;

(2) biometric identifiers, including fingerprints and a digital photograph; and

(3) physical security features designed to prevent tampering, counterfeiting, or duplication of the card for fraudulent purposes.

(g) FINE.—An alien granted blue card status shall pay a fine of $100 to the Secretary.

(h) MAXIMUM NUMBER.—The Secretary may not issue more than 1,500,000 blue cards during the 5-year period beginning on the date of the enactment of this Act.

SEC. 212. TREATMENT OF ALIENS GRANTED BLUE CARD STATUS.

(a) IN GENERAL.—Except as otherwise provided under this section, an alien granted blue card status shall be considered to be an alien lawfully admitted for permanent residence for purposes of any law other than any provision of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(b) DELAYED ELIGIBILITY FOR CERTAIN FEDERAL PUBLIC BENEFITS.—An alien granted blue card status shall not be eligible, by reason of such status, for any form of assistance or benefit described in section 403(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(a)) until 5 years after the date on which the alien is granted an adjustment of status under section 213.

(c) TERMS OF EMPLOYMENT.—

(1) PROHIBITION.—No alien granted blue card status may be terminated from employment by any employer during the period of blue card status except for just cause.

(2) TREATMENT OF COMPLAINTS.—

(A) ESTABLISHMENT OF PROCESS.—The Secretary shall establish a process for the receipt, initial review, and disposition of complaints by aliens granted blue card status who allege that they have been terminated without just cause. No proceeding shall be conducted under this paragraph with respect to a termination unless the Secretary determines that the complaint was filed not later than 6 months after the date of the termination.

(B) INITIATION OF ARBITRATION.—If the Secretary finds that an alien has filed a complaint in accordance with subparagraph (A) and there is reasonable cause to believe that the alien was terminated from employment without just cause, the Secretary shall initiate binding arbitration proceedings by requesting the Federal Mediation and Conciliation Service to appoint a mutually agreeable arbitrator from the roster of arbitrators maintained by such Service for the geographical area in which the employer is located. The procedures and rules of such Service shall be applicable to the selection of such arbitrator and to such arbitration proceedings. The Secretary shall pay the fee and expenses of the arbitrator, subject to the availability of appropriations for such purpose.

(C) ARBITRATION PROCEEDINGS.—The arbitrator shall conduct the proceeding under this paragraph in accordance with the policies and procedures promulgated by the American Arbitration Association applicable to private arbitration of employment disputes. The arbitrator shall make findings respecting whether the termination was for just cause. The arbitrator may not find that the termination was for just cause unless the employer so demonstrates by a preponderance of the evidence. If the arbitrator finds that the termination was not for just cause, the arbitrator shall make a specific finding of the number of days or hours of work lost by the employee as a result of the termination. The arbitrator shall have no authority to order any other remedy, including reinstatement, back pay, or front pay to the affected employee. Not later than 30 days after the date of the conclusion of the arbitration proceeding, the arbitrator shall transmit the findings in the form of a written opinion to the parties to the arbitration and the Secretary. Such findings shall be final and conclusive, and no official or court of the United States shall have the power or jurisdiction to review any such findings.

(D) EFFECT OF ARBITRATION FINDINGS.—If the Secretary receives a finding of an arbitrator that an employer has terminated the employment of an alien who is granted blue card status without just cause, the Secretary shall credit the alien for the number of days or hours of work not performed during such period of termination for the purpose of determining if the alien meets the qualifying employment requirement of section 213(a).

(E) TREATMENT OF ATTORNEY'S FEES.—Each party to an arbitration under this paragraph shall bear the cost of their own attorney's fees for the arbitration.

(F) NONEXCLUSIVE REMEDY.—The complaint process provided for in this paragraph is in addition to any other rights an employee may have in accordance with applicable law.

(G) EFFECT ON OTHER ACTIONS OR PROCEEDINGS.—Any finding of fact or law, judgment, conclusion, or final order made by an arbitrator in the proceeding before the Secretary shall not be conclusive or binding in any separate or subsequent action or proceeding between the employee and the employee's current or prior employer brought before an arbitrator, administrative agency, court, or judge of any State or the United States, regardless of whether the prior action was between the same or related parties or involved the same facts, except that the arbitrator's specific finding of the number of days or hours of work lost by the employee as a result of the employment termination may be referred to the Secretary pursuant to subparagraph (D).

(3) CIVIL PENALTIES.—

(A) IN GENERAL.—If the Secretary finds, after notice and opportunity for a hearing, that an employer of an alien granted blue card status has failed to provide the record of employment required under section 211(e) or has provided a false statement of material fact in such a record, the employer shall be subject to a civil money penalty in an amount not to exceed $1,000 per violation.

(B) LIMITATION.—The penalty applicable under subparagraph (A) for failure to provide records shall not apply unless the alien has provided the employer with evidence of employment authorization granted under this section.

SEC. 213. ADJUSTMENT TO PERMANENT RESIDENCE.

(a) IN GENERAL.—Except as provided in subsection (b), the Secretary shall adjust the status of an alien granted blue card status to that of an alien lawfully admitted for permanent residence if the Secretary determines that the following requirements are satisfied:

(1) QUALIFYING EMPLOYMENT.—

(A) IN GENERAL.—Subject to subparagraph (B), the alien has performed at least—

(i) 5 years of agricultural employment in the United States for at least 100 work days per year, during the 5-year period beginning on the date of the enactment of this Act; or

(ii) 3 years of agricultural employment in the United States for at least 150 work days per year, during the 3-year period beginning on the date of the enactment of this Act.

(B) 4-YEAR PERIOD OF EMPLOYMENT.—An alien shall be considered to meet the requirements of subparagraph (A) if the alien has performed 4 years of agricultural employment in the United States for at least 150 work days during 3 years of those 4 years and at least 100 work days during the remaining year, during the 4-year period beginning on the date of the enactment of this Act.

(2) PROOF.—An alien may demonstrate compliance with the requirement under paragraph (1) by submitting—

(A) the record of employment described in section 211(e); or

(B) such documentation as may be submitted under section 214(c).

(3) EXTRAORDINARY CIRCUMSTANCES.—In determining whether an alien has met the requirement of paragraph (1)(A), the Secretary may credit the alien with not more than 12 additional months to meet the requirement of that subparagraph if the alien was unable to work in agricultural employment due to—

(A) pregnancy, injury, or disease, if the alien can establish such pregnancy, disabling injury, or disease through medical records;

(B) illness, disease, or other special needs of a minor child, if the alien can establish such illness, disease, or special needs through medical records; or

(C) severe weather conditions that prevented the alien from engaging in agricultural employment for a significant period of time.

(4) APPLICATION PERIOD.—The alien applies for adjustment of status not later than 7

years after the date of the enactment of this Act.

(5) FINE.—The alien pays a fine of $400 to the Secretary.

(b) GROUNDS FOR DENIAL OF ADJUSTMENT OF STATUS.—The Secretary may deny an alien granted blue card status an adjustment of status under this section and provide for termination of such blue card status if—

(1) the Secretary finds by a preponderance of the evidence that the adjustment to blue card status was the result of fraud or willful misrepresentation, as described in section 212(a)(6)(C)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(i)); or

(2) the alien—

(A) commits an act that makes the alien inadmissible to the United States under section 212 of the Immigration and Nationality Act (8 U.S.C. 1182), except as provided under section 215(b);

(B) is convicted of a felony or 3 or more misdemeanors committed in the United States; or

(C) is convicted of an offense, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500.

(c) GROUNDS FOR REMOVAL.—Any alien granted blue card status who does not apply for adjustment of status under this section before the expiration of the application period described in subsection (a)(4) or who fails to meet the other requirements of subsection (a) by the end of the application period, is deportable and may be removed under section 240 of the Immigration and Nationality Act (8 U.S.C. 1229a).

(d) PAYMENT OF TAXES.—

(1) IN GENERAL.—Not later than the date on which an alien's status is adjusted under this section, the alien shall establish that the alien does not owe any applicable Federal tax liability by establishing that—

(A) no such tax liability exists;

(B) all such outstanding tax liabilities have been paid; or

(C) the alien has entered into an agreement for payment of all outstanding liabilities with the Internal Revenue Service.

(2) APPLICABLE FEDERAL TAX LIABILITY.—In paragraph (1) the term ''applicable Federal tax liability'' means liability for Federal taxes, including penalties and interest, owed for any year during the period of employment required under subsection (a)(1) for which the statutory period for assessment of any deficiency for such taxes has not expired.

(3) IRS COOPERATION.—The Secretary of the Treasury shall establish rules and procedures under which the Commissioner of Internal Revenue shall provide documentation to an alien upon request to establish the payment of all taxes required by this subsection.

(e) SPOUSES AND MINOR CHILDREN.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall confer the status of lawful permanent resident on the spouse and minor child of an alien granted any adjustment of status under subsection (a), including any individual who was a minor child on the date such alien was granted blue card status, if the spouse or minor child applies for such status, or if the principal alien includes the spouse or minor child in an application for adjustment of status to that of a lawful permanent resident.

(2) TREATMENT OF SPOUSES AND MINOR CHILDREN.—

(A) GRANTING OF STATUS AND REMOVAL.—The Secretary may grant derivative status to the alien spouse and any minor child residing in the United States of an alien granted blue card status and shall not remove such derivative spouse or child during the period that the alien granted blue card status maintains such status, except as provided in paragraph (3). A grant of derivative status to such a spouse or child under this subparagraph shall not decrease the number of aliens who may receive blue card status under subsection (h) of section 211.

(B) TRAVEL.—The derivative spouse and any minor child of an alien granted blue card status may travel outside the United States in the same manner as an alien lawfully admitted for permanent residence.

(C) EMPLOYMENT.—The derivative spouse of an alien granted blue card status may apply to the Secretary for a work permit to authorize such spouse to engage in any lawful employment in the United States while such alien maintains blue card status.

(3) GROUNDS FOR DENIAL OF ADJUSTMENT OF STATUS AND REMOVAL.—The Secretary may deny an alien spouse or child adjustment of status under paragraph (1) and may remove such spouse or child under section 240 of the Immigration and Nationality Act (8 U.S.C. 1229a) if the spouse or child—

(A) commits an act that makes the alien spouse or child inadmissible to the United States under section 212 of such Act (8 U.S.C. 1182), except as provided under section 215(b);

(B) is convicted of a felony or 3 or more misdemeanors committed in the United States; or

(C) is convicted of an offense, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500.

SEC. 214. APPLICATIONS.

(a) SUBMISSION.—The Secretary shall provide that—

(1) applications for blue card status under section 211 may be submitted—

(A) to the Secretary if the applicant is represented by an attorney or a nonprofit religious, charitable, social service, or similar organization recognized by the Board of Immigration Appeals under section 292.2 of title 8, Code of Federal Regulations; or

(B) to a qualified designated entity if the applicant consents to the forwarding of the application to the Secretary; and

(2) applications for adjustment of status under section 213 shall be filed directly with the Secretary.

(b) QUALIFIED DESIGNATED ENTITY DEFINED.—In this section, the term ''qualified designated entity'' means—

(1) a qualified farm labor organization or an association of employers designated by the Secretary; or

(2) any such other person designated by the Secretary if that Secretary determines such person is qualified and has substantial experience, demonstrated competence, and has a history of long-term involvement in the preparation and submission of applications for adjustment of status under section 209, 210, or 245 of the Immigration and Nationality Act (8 U.S.C. 1159, 1160, and 1255), the Act entitled ''An Act to adjust the status of Cuban refugees to that of lawful permanent residents of the United States, and for other purposes'', approved November 2, 1966 (Public Law 89–732; 8 U.S.C. 1255 note), Public Law 95–145 (8 U.S.C. 1255 note), or the Immigration Reform and Control Act of 1986 (Public Law 99–603; 100 Stat. 3359) or any amendment made by that Act.

(c) PROOF OF ELIGIBILITY.—

(1) IN GENERAL.—An alien may establish that the alien meets the requirement of section 211(a)(1) or 213(a)(1) through government employment records or records supplied by employers or collective bargaining organizations, and other reliable documentation as the alien may provide. The Secretary shall establish special procedures to properly credit work in cases in which an alien was employed under an assumed name.

(2) DOCUMENTATION OF WORK HISTORY.—

(A) BURDEN OF PROOF.—An alien applying for status under section 211(a) or 213(a) has the burden of proving by a preponderance of the evidence that the alien has worked the requisite number of hours or days required under section 211(a)(1) or 213(a)(1), as applicable.

(B) TIMELY PRODUCTION OF RECORDS.—If an employer or farm labor contractor employing such an alien has kept proper and adequate records respecting such employment, the alien's burden of proof under subparagraph (A) may be met by securing timely production of those records under regulations to be promulgated by the Secretary.

(C) SUFFICIENT EVIDENCE.—An alien may meet the burden of proof under subparagraph (A) to establish that the alien has performed the days or hours of work required by section 211(a)(1) or 213(a)(1) by producing sufficient evidence to show the extent of that employment as a matter of just and reasonable inference.

(d) APPLICATIONS SUBMITTED TO QUALIFIED DESIGNATED ENTITIES.—

(1) REQUIREMENTS.—Each qualified designated entity shall agree—

(A) to forward to the Secretary an application submitted to that entity pursuant to subsection (a)(1)(B) if the applicant has consented to such forwarding;

(B) not to forward to the Secretary any such application if the applicant has not consented to such forwarding; and

(C) to assist an alien in obtaining documentation of the alien's work history, if the alien requests such assistance.

(2) NO AUTHORITY TO MAKE DETERMINATIONS.—No qualified designated entity may make a determination required by this subtitle to be made by the Secretary.

(e) LIMITATION ON ACCESS TO INFORMATION.—Files and records collected or compiled by a qualified designated entity for the purposes of this section are confidential and the Secretary shall not have access to such a file or record relating to an alien without the consent of the alien, except as allowed by a court order issued pursuant to subsection (f).

(f) CONFIDENTIALITY OF INFORMATION.—

(1) IN GENERAL.—Except as otherwise provided in this section, the Secretary or any other official or employee of the Department or a bureau or agency of the Department is prohibited from—

(A) using information furnished by the applicant pursuant to an application filed under this title, the information provided by an applicant to a qualified designated entity, or any information provided by an employer or former employer for any purpose other than to make a determination on the application or for imposing the penalties described in subsection (g);

(B) making any publication in which the information furnished by any particular individual can be identified; or

(C) permitting a person other than a sworn officer or employee of the Department or a bureau or agency of the Department or, with respect to applications filed with a qualified designated entity, that qualified designated entity, to examine individual applications.

(2) REQUIRED DISCLOSURES.—The Secretary shall provide the information furnished under this title or any other information derived from such furnished information to—

(A) a duly recognized law enforcement entity in connection with a criminal investigation or prosecution, if such information is requested in writing by such entity; or

(B) an official coroner, for purposes of affirmatively identifying a deceased individual, whether or not the death of such individual resulted from a crime.

(3) CONSTRUCTION.—

(A) IN GENERAL.—Nothing in this subsection shall be construed to limit the use, or release, for immigration enforcement purposes or law enforcement purposes, of information contained in files or records of the Department pertaining to an application filed under this section, other than information furnished by an applicant pursuant to the application, or any other information derived from the application, that is not available from any other source.

(B) CRIMINAL CONVICTIONS.—Notwithstanding any other provision of this subsection, information concerning whether the alien applying for blue card status under section 211 or an adjustment of status under section 213 has been convicted of a crime at any time may be used or released for immigration enforcement or law enforcement purposes.

(4) CRIME.—Any person who knowingly uses, publishes, or permits information to be examined in violation of this subsection shall be subject to a fine in an amount not to exceed $10,000.

(g) PENALTIES FOR FALSE STATEMENTS IN APPLICATIONS.—

(1) CRIMINAL PENALTY.—Any person who—

(A) files an application for blue card status under section 211 or an adjustment of status under section 213 and knowingly and willfully falsifies, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry; or

(B) creates or supplies a false writing or document for use in making such an application,

shall be fined in accordance with title 18, United States Code, imprisoned not more than 5 years, or both.

(2) INADMISSIBILITY.—An alien who is convicted of a crime under paragraph (1) shall be considered to be inadmissible to the United States on the ground described in section 212(a)(6)(C)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(i)).

(h) ELIGIBILITY FOR LEGAL SERVICES.—Section 504(a)(11) of Public Law 104–134 (110 Stat. 1321–53 et seq.) shall not be construed to prevent a recipient of funds under the Legal Services Corporation Act (42 U.S.C. 2996 et seq.) from providing legal assistance directly related to an application for blue card status under section 211 or an adjustment of status under section 213.

(i) APPLICATION FEES.—

(1) FEE SCHEDULE.—The Secretary shall provide for a schedule of fees that—

(A) shall be charged for the filing of an application for blue card status under section 211 or for an adjustment of status under section 213; and

(B) may be charged by qualified designated entities to help defray the costs of services provided to such applicants.

(2) PROHIBITION ON EXCESS FEES BY QUALIFIED DESIGNATED ENTITIES.—A qualified designated entity may not charge any fee in excess of, or in addition to, the fees authorized under paragraph (1)(B) for services provided to applicants.

(3) DISPOSITION OF FEES.—

(A) IN GENERAL.—There is established in the general fund of the Treasury a separate account, which shall be known as the ''Agricultural Worker Immigration Status Adjustment Account''. Notwithstanding any other provision of law, there shall be deposited as offsetting receipts into the account all fees collected under paragraph (1)(A).

(B) USE OF FEES FOR APPLICATION PROCESSING.—Amounts deposited in the ''Agricultural Worker Immigration Status Adjustment Account'' shall remain available to the Secretary until expended for processing applications for blue card status under section 211 or an adjustment of status under section 213.

SEC. 215. WAIVER OF NUMERICAL LIMITATIONS AND CERTAIN GROUNDS FOR INADMISSIBILITY.

(a) NUMERICAL LIMITATIONS DO NOT APPLY.—The numerical limitations of sections 201 and 202 of the Immigration and Nationality Act (8 U.S.C. 1151 and 1152) shall not apply to the adjustment of aliens to lawful permanent resident status under section 213.

(b) WAIVER OF CERTAIN GROUNDS OF INADMISSIBILITY.—In the determination of an alien's eligibility for status under section 211(a) or an alien's eligibility for adjustment of status under section 213(b)(2)(A) the following rules shall apply:

(1) GROUNDS OF EXCLUSION NOT APPLICABLE.—The provisions of paragraphs (5), (6)(A), (7), and (9) of section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)) shall not apply.

(2) WAIVER OF OTHER GROUNDS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may waive any other provision of such section 212(a) in the case of individual aliens for humanitarian purposes, to ensure family unity, or if otherwise in the public interest.

(B) GROUNDS THAT MAY NOT BE WAIVED.—Paragraphs (2)(A), (2)(B), (2)(C), (3), and (4) of such section 212(a) may not be waived by the Secretary under subparagraph (A).

(C) CONSTRUCTION.—Nothing in this paragraph shall be construed as affecting the authority of the Secretary other than under this subparagraph to waive provisions of such section 212(a).

(3) SPECIAL RULE FOR DETERMINATION OF PUBLIC CHARGE.—An alien is not ineligible for blue card status under section 211 or an adjustment of status under section 213 by reason of a ground of inadmissibility under section 212(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(4)) if the alien demonstrates a history of employment in the United States evidencing self-support without reliance on public cash assistance.

(c) TEMPORARY STAY OF REMOVAL AND WORK AUTHORIZATION FOR CERTAIN APPLICANTS.—

(1) BEFORE APPLICATION PERIOD.—Effective on the date of enactment of this Act, the Secretary shall provide that, in the case of an alien who is apprehended before the beginning of the application period described in section 211(a)(2) and who can establish a nonfrivolous case of eligibility for blue card status (but for the fact that the alien may not apply for such status until the beginning of such period), until the alien has had the opportunity during the first 30 days of the application period to complete the filing of an application for blue card status, the alien—

(A) may not be removed; and

(B) shall be granted authorization to engage in employment in the United States and be provided an employment authorized endorsement or other appropriate work permit for such purpose.

(2) DURING APPLICATION PERIOD.—The Secretary shall provide that, in the case of an alien who presents a nonfrivolous application for blue card status during the application period described in section 211(a)(2), including an alien who files such an application within 30 days of the alien's apprehension, and until a final determination on the application has been made in accordance with this section, the alien—

(A) may not be removed; and

(B) shall be granted authorization to engage in employment in the United States and be provided an employment authorized endorsement or other appropriate work permit for such purpose.

SEC. 216. ADMINISTRATIVE AND JUDICIAL REVIEW.

(a) IN GENERAL.—There shall be no administrative or judicial review of a determination respecting an application for blue card status under section 211 or adjustment of status under section 213 except in accordance with this section.

(b) ADMINISTRATIVE REVIEW.—

(1) SINGLE LEVEL OF ADMINISTRATIVE APPELLATE REVIEW.—The Secretary shall establish an appellate authority to provide for a single level of administrative appellate review of such a determination.

(2) STANDARD FOR REVIEW.—Such administrative appellate review shall be based solely upon the administrative record established at the time of the determination on the application and upon such additional or newly discovered evidence as may not have been available at the time of the determination.

(c) JUDICIAL REVIEW.—

(1) LIMITATION TO REVIEW OF REMOVAL.—There shall be judicial review of such a determination only in the judicial review of an order of removal under section 242 of the Immigration and Nationality Act (8 U.S.C. 1252).

(2) STANDARD FOR JUDICIAL REVIEW.—Such judicial review shall be based solely upon the administrative record established at the time of the review by the appellate authority and the findings of fact and determinations contained in such record shall be conclusive unless the applicant can establish abuse of discretion or that the findings are directly contrary to clear and convincing facts contained in the record considered as a whole.

SEC. 217. USE OF INFORMATION.

Beginning not later than the first day of the application period described in section 211(a)(2), the Secretary, in cooperation with qualified designated entities (as that term is defined in section 214(b)), shall broadly disseminate information respecting the benefits that aliens may receive under this subtitle and the requirements that an alien is required to meet to receive such benefits.

SEC. 218. REGULATIONS, EFFECTIVE DATE, AUTHORIZATION OF APPROPRIATIONS.

(a) REGULATIONS.—The Secretary shall issue regulations to implement this subtitle not later than the first day of the seventh month that begins after the date of enactment of this Act.

(b) EFFECTIVE DATE.—This subtitle shall take effect on the date that regulations required by subsection (a) are issued, regardless of whether such regulations are issued on an interim basis or on any other basis.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as may be necessary to implement this subtitle, including any sums needed for costs associated with the initiation of such implementation, for fiscal years 2007 and 2008.

PART II—CORRECTION OF SOCIAL SECURITY RECORDS

SEC. 221. CORRECTION OF SOCIAL SECURITY RECORDS.

(a) IN GENERAL.—Section 208(e)(1) of the Social Security Act (42 U.S.C. 408(e)(1)) is amended—

(1) in subparagraph (B)(ii), by striking ''or'' at the end;

(2) in subparagraph (C), by inserting ''or'' at the end;

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

''(D) who is granted blue card status under the Agricultural Job Opportunity, Benefits, and Security Act of 2007,''; and

(4) by striking ''1990.'' and inserting ''1990, or in the case of an alien described in subparagraph (D), if such conduct is alleged to

have occurred before the date on which the alien was granted blue card status.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the seventh month that begins after the date of the enactment of this Act.

Subtitle B—Reform of H–2A Worker Program

SEC. 231. AMENDMENT TO THE IMMIGRATION AND NATIONALITY ACT.

(a) IN GENERAL.—Title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.) is amended by striking section 218 and inserting the following:

''SEC. 218. H–2A EMPLOYER APPLICATIONS.

''(a) APPLICATIONS TO THE SECRETARY OF LABOR.—

''(1) IN GENERAL.—No alien may be admitted to the United States as an H–2A worker, or otherwise provided status as an H–2A worker, unless the employer has filed with the Secretary of Labor an application containing—

''(A) the assurances described in subsection (b);

''(B) a description of the nature and location of the work to be performed;

''(C) the anticipated period (expected beginning and ending dates) for which the workers will be needed; and

''(D) the number of job opportunities in which the employer seeks to employ the workers.

''(2) ACCOMPANIED BY JOB OFFER.—Each application filed under paragraph (1) shall be accompanied by a copy of the job offer describing the wages and other terms and conditions of employment and the bona fide occupational qualifications that shall be possessed by a worker to be employed in the job opportunity in question.

''(b) ASSURANCES FOR INCLUSION IN APPLICATIONS.—The assurances referred to in subsection (a)(1) are the following:

''(1) JOB OPPORTUNITIES COVERED BY COLLECTIVE BARGAINING AGREEMENTS.—With respect to a job opportunity that is covered under a collective bargaining agreement:

''(A) UNION CONTRACT DESCRIBED.—The job opportunity is covered by a union contract which was negotiated at arm's length between a bona fide union and the employer.

''(B) STRIKE OR LOCKOUT.—The specific job opportunity for which the employer is requesting an H–2A worker is not vacant because the former occupant is on strike or being locked out in the course of a labor dispute.

''(C) NOTIFICATION OF BARGAINING REPRESENTATIVES.—The employer, at the time of filing the application, has provided notice of the filing under this paragraph to the bargaining representative of the employer's employees in the occupational classification at the place or places of employment for which aliens are sought.

''(D) TEMPORARY OR SEASONAL JOB OPPORTUNITIES.—The job opportunity is temporary or seasonal.

''(E) OFFERS TO UNITED STATES WORKERS.—The employer has offered or will offer the job to any eligible United States worker who applies and is equally or better qualified for the job for which the nonimmigrant is, or the nonimmigrants are, sought and who will be available at the time and place of need.

''(F) PROVISION OF INSURANCE.—If the job opportunity is not covered by the State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of, and in the course of, the worker's employment which will provide benefits at least equal to those provided under the State's workers' compensation law for comparable employment.

''(2) JOB OPPORTUNITIES NOT COVERED BY COLLECTIVE BARGAINING AGREEMENTS.—With respect to a job opportunity that is not covered under a collective bargaining agreement:

''(A) STRIKE OR LOCKOUT.—The specific job opportunity for which the employer has applied for an H–2A worker is not vacant because the former occupant is on strike or being locked out in the course of a labor dispute.

''(B) TEMPORARY OR SEASONAL JOB OPPORTUNITIES.—The job opportunity is temporary or seasonal.

''(C) BENEFIT, WAGE, AND WORKING CONDITIONS.—The employer will provide, at a minimum, the benefits, wages, and working conditions required by section 218A to all workers employed in the job opportunities for which the employer has applied for an H–2A worker under subsection (a) and to all other workers in the same occupation at the place of employment.

''(D) NONDISPLACEMENT OF UNITED STATES WORKERS.—The employer did not displace and will not displace a United States worker employed by the employer during the period of employment and for a period of 30 days preceding the period of employment in the occupation at the place of employment for which the employer has applied for an H–2A worker.

''(E) REQUIREMENTS FOR PLACEMENT OF THE NONIMMIGRANT WITH OTHER EMPLOYERS.—The employer will not place the nonimmigrant with another employer unless—

''(i) the nonimmigrant performs duties in whole or in part at 1 or more worksites owned, operated, or controlled by such other employer;

''(ii) there are indicia of an employment relationship between the nonimmigrant and such other employer; and

''(iii) the employer has inquired of the other employer as to whether, and has no actual knowledge or notice that, during the period of employment and for a period of 30 days preceding the period of employment, the other employer has displaced or intends to displace a United States worker employed by the other employer in the occupation at the place of employment for which the employer seeks approval to employ H–2A workers.

''(F) STATEMENT OF LIABILITY.—The application form shall include a clear statement explaining the liability under subparagraph (E) of an employer if the other employer described in such subparagraph displaces a United States worker as described in such subparagraph.

''(G) PROVISION OF INSURANCE.—If the job opportunity is not covered by the State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State's workers' compensation law for comparable employment.

''(H) EMPLOYMENT OF UNITED STATES WORKERS.—

''(i) RECRUITMENT.—The employer has taken or will take the following steps to recruit United States workers for the job opportunities for which the H–2A nonimmigrant is, or H–2A nonimmigrants are, sought:

''(I) CONTACTING FORMER WORKERS.—The employer shall make reasonable efforts through the sending of a letter by United States Postal Service mail, or otherwise, to contact any United States worker the employer employed during the previous season in the occupation at the place of intended employment for which the employer is applying for workers and has made the availability of the employer's job opportunities in the occupation at the place of intended employment known to such previous workers, unless the worker was terminated from employment by the employer for a lawful job-related reason or abandoned the job before the worker completed the period of employment of the job opportunity for which the worker was hired.

''(II) FILING A JOB OFFER WITH THE LOCAL OFFICE OF THE STATE EMPLOYMENT SECURITY AGENCY.—Not later than 28 days before the date on which the employer desires to employ an H–2A worker in a temporary or seasonal agricultural job opportunity, the employer shall submit a copy of the job offer described in subsection (a)(2) to the local office of the State employment security agency which serves the area of intended employment and authorize the posting of the job opportunity on 'America's Job Bank' or other electronic job registry, except that nothing in this subclause shall require the employer to file an interstate job order under section 653 of title 20, Code of Federal Regulations.

''(III) ADVERTISING OF JOB OPPORTUNITIES.—Not later than 14 days before the date on which the employer desires to employ an H–2A worker in a temporary or seasonal agricultural job opportunity, the employer shall advertise the availability of the job opportunities for which the employer is seeking workers in a publication in the local labor market that is likely to be patronized by potential farm workers.

''(IV) EMERGENCY PROCEDURES.—The Secretary of Labor shall, by regulation, provide a procedure for acceptance and approval of applications in which the employer has not complied with the provisions of this subparagraph because the employer's need for H–2A workers could not reasonably have been foreseen.

''(ii) JOB OFFERS.—The employer has offered or will offer the job to any eligible United States worker who applies and is equally or better qualified for the job for which the nonimmigrant is, or nonimmigrants are, sought and who will be available at the time and place of need.

''(iii) PERIOD OF EMPLOYMENT.—The employer will provide employment to any qualified United States worker who applies to the employer during the period beginning on the date on which the H–2A worker departs for the employer's place of employment and ending on the date on which 50 percent of the period of employment for which the H–2A worker who is in the job was hired has elapsed, subject to the following requirements:

''(I) PROHIBITION.—No person or entity shall willfully and knowingly withhold United States workers before the arrival of H–2A workers in order to force the hiring of United States workers under this clause.

''(II) COMPLAINTS.—Upon receipt of a complaint by an employer that a violation of subclause (I) has occurred, the Secretary of Labor shall immediately investigate. The Secretary of Labor shall, within 36 hours of the receipt of the complaint, issue findings concerning the alleged violation. If the Secretary of Labor finds that a violation has occurred, the Secretary of Labor shall immediately suspend the application of this clause with respect to that certification for that date of need.

''(III) PLACEMENT OF UNITED STATES WORKERS.—Before referring a United States worker to an employer during the period described in the matter preceding subclause (I), the Secretary of Labor shall make all reasonable efforts to place the United States worker in an open job acceptable to the worker, if there are other job offers pending with the job service that offer similar job opportunities in the area of intended employment.

''(iv) STATUTORY CONSTRUCTION.—Nothing in this subparagraph shall be construed to prohibit an employer from using such legitimate selection criteria relevant to the type of job that are normal or customary to the type of job involved so long as such criteria are not applied in a discriminatory manner.

''(c) APPLICATIONS BY ASSOCIATIONS ON BEHALF OF EMPLOYER MEMBERS.—

''(1) IN GENERAL.—An agricultural association may file an application under subsection (a) on behalf of 1 or more of its employer members that the association certifies in its application has or have agreed in writing to comply with the requirements of this section and sections 218A, 218B, and 218C.

''(2) TREATMENT OF ASSOCIATIONS ACTING AS EMPLOYERS.—If an association filing an application under paragraph (1) is a joint or sole employer of the temporary or seasonal agricultural workers requested on the application, the certifications granted under subsection (e)(2)(B) to the association may be used for the certified job opportunities of any of its producer members named on the application, and such workers may be transferred among such producer members to perform the agricultural services of a temporary or seasonal nature for which the certifications were granted.

''(d) WITHDRAWAL OF APPLICATIONS.—

''(1) IN GENERAL.—An employer may withdraw an application filed pursuant to subsection (a), except that if the employer is an agricultural association, the association may withdraw an application filed pursuant to subsection (a) with respect to 1 or more of its members. To withdraw an application, the employer or association shall notify the Secretary of Labor in writing, and the Secretary of Labor shall acknowledge in writing the receipt of such withdrawal notice. An employer who withdraws an application under subsection (a), or on whose behalf an application is withdrawn, is relieved of the obligations undertaken in the application.

''(2) LIMITATION.—An application may not be withdrawn while any alien provided status under section 101(a)(15)(H)(ii)(a) pursuant to such application is employed by the employer.

''(3) OBLIGATIONS UNDER OTHER STATUTES.—Any obligation incurred by an employer under any other law or regulation as a result of the recruitment of United States workers or H–2A workers under an offer of terms and conditions of employment required as a result of making an application under subsection (a) is unaffected by withdrawal of such application.

''(e) REVIEW AND APPROVAL OF APPLICATIONS.—

''(1) RESPONSIBILITY OF EMPLOYERS.—The employer shall make available for public examination, within 1 working day after the date on which an application under subsection (a) is filed, at the employer's principal place of business or worksite, a copy of each such application (and such accompanying documents as are necessary).

''(2) RESPONSIBILITY OF THE SECRETARY OF LABOR.—

''(A) COMPILATION OF LIST.—The Secretary of Labor shall compile, on a current basis, a list (by employer and by occupational classification) of the applications filed under subsection (a). Such list shall include the wage rate, number of workers sought, period of intended employment, and date of need. The Secretary of Labor shall make such list available for examination in the District of Columbia.

''(B) REVIEW OF APPLICATIONS.—The Secretary of Labor shall review such an application only for completeness and obvious inaccuracies. Unless the Secretary of Labor finds that the application is incomplete or obviously inaccurate, the Secretary of Labor shall certify that the intending employer has filed with the Secretary of Labor an application as described in subsection (a). Such certification shall be provided within 7 days of the filing of the application.''

''SEC. 218A. H–2A EMPLOYMENT REQUIREMENTS.

''(a) PREFERENTIAL TREATMENT OF ALIENS PROHIBITED.—Employers seeking to hire United States workers shall offer the United States workers no less than the same benefits, wages, and working conditions that the employer is offering, intends to offer, or will provide to H–2A workers. Conversely, no job offer may impose on United States workers any restrictions or obligations which will not be imposed on the employer's H–2A workers.

''(b) MINIMUM BENEFITS, WAGES, AND WORKING CONDITIONS.—Except in cases where higher benefits, wages, or working conditions are required by the provisions of subsection (a), in order to protect similarly employed United States workers from adverse effects with respect to benefits, wages, and working conditions, every job offer which shall accompany an application under section 218(b)(2) shall include each of the following benefit, wage, and working condition provisions:

''(1) REQUIREMENT TO PROVIDE HOUSING OR A HOUSING ALLOWANCE.—

''(A) IN GENERAL.—An employer applying under section 218(a) for H–2A workers shall offer to provide housing at no cost to all workers in job opportunities for which the employer has applied under that section and to all other workers in the same occupation at the place of employment, whose place of residence is beyond normal commuting distance.

''(B) TYPE OF HOUSING.—In complying with subparagraph (A), an employer may, at the employer's election, provide housing that meets applicable Federal standards for temporary labor camps or secure housing that meets applicable local standards for rental or public accommodation housing or other substantially similar class of habitation, or in the absence of applicable local standards, State standards for rental or public accommodation housing or other substantially similar class of habitation. In the absence of applicable local or State standards, Federal temporary labor camp standards shall apply.

''(C) FAMILY HOUSING.—If it is the prevailing practice in the occupation and area of intended employment to provide family housing, family housing shall be provided to workers with families who request it.

''(D) WORKERS ENGAGED IN THE RANGE PRODUCTION OF LIVESTOCK.—The Secretary of Labor shall issue regulations that address the specific requirements for the provision of housing to workers engaged in the range production of livestock.

''(E) LIMITATION.—Nothing in this paragraph shall be construed to require an employer to provide or secure housing for persons who were not entitled to such housing under the temporary labor certification regulations in effect on June 1, 1986.

''(F) CHARGES FOR HOUSING.—

''(i) CHARGES FOR PUBLIC HOUSING.—If public housing provided for migrant agricultural workers under the auspices of a local, county, or State government is secured by an employer, and use of the public housing unit normally requires charges from migrant workers, such charges shall be paid by the employer directly to the appropriate individual or entity affiliated with the housing's management.

''(ii) DEPOSIT CHARGES.—Charges in the form of deposits for bedding or other similar incidentals related to housing shall not be levied upon workers by employers who provide housing for their workers. An employer may require a worker found to have been responsible for damage to such housing which is not the result of normal wear and tear related to habitation to reimburse the employer for the reasonable cost of repair of such damage.

''(G) HOUSING ALLOWANCE AS ALTERNATIVE.—

''(i) IN GENERAL.—If the requirement set out in clause (ii) is satisfied, the employer may provide a reasonable housing allowance instead of offering housing under subparagraph (A). Upon the request of a worker seeking assistance in locating housing, the employer shall make a good faith effort to assist the worker in identifying and locating housing in the area of intended employment. An employer who offers a housing allowance to a worker, or assists a worker in locating housing which the worker occupies, pursuant to this clause shall not be deemed a housing provider under section 203 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1823) solely by virtue of providing such housing allowance. No housing allowance may be used for housing which is owned or controlled by the employer.

''(ii) CERTIFICATION.—The requirement of this clause is satisfied if the Governor of the State certifies to the Secretary of Labor that there is adequate housing available in the area of intended employment for migrant farm workers and H–2A workers who are seeking temporary housing while employed in agricultural work. Such certification shall expire after 3 years unless renewed by the Governor of the State.

''(iii) AMOUNT OF ALLOWANCE.—

''(I) NONMETROPOLITAN COUNTIES.—If the place of employment of the workers provided an allowance under this subparagraph is a nonmetropolitan county, the amount of the housing allowance under this subparagraph shall be equal to the statewide average fair market rental for existing housing for nonmetropolitan counties for the State, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

''(II) METROPOLITAN COUNTIES.—If the place of employment of the workers provided an allowance under this paragraph is in a metropolitan county, the amount of the housing allowance under this subparagraph shall be equal to the statewide average fair market rental for existing housing for metropolitan counties for the State, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

''(2) REIMBURSEMENT OF TRANSPORTATION.—

''(A) TO PLACE OF EMPLOYMENT.—A worker who completes 50 percent of the period of employment of the job opportunity for which the worker was hired shall be reimbursed by the employer for the cost of the worker's transportation and subsistence from the place from which the worker came to work for the employer (or place of last employment, if the worker traveled from such place) to the place of employment.

''(B) FROM PLACE OF EMPLOYMENT.—A worker who completes the period of employment for the job opportunity involved shall be reimbursed by the employer for the cost of the worker's transportation and subsistence from the place of employment to the place from which the worker, disregarding intervening employment, came to work for the employer, or to the place of next employment, if the worker has contracted with a subsequent employer who has not agreed to

provide or pay for the worker's transportation and subsistence to such subsequent employer's place of employment.

''(C) LIMITATION.—

''(i) AMOUNT OF REIMBURSEMENT.—Except as provided in clause (ii), the amount of reimbursement provided under subparagraph (A) or (B) to a worker or alien shall not exceed the lesser of—

''(I) the actual cost to the worker or alien of the transportation and subsistence involved; or

''(II) the most economical and reasonable common carrier transportation charges and subsistence costs for the distance involved.

''(ii) DISTANCE TRAVELED.—No reimbursement under subparagraph (A) or (B) shall be required if the distance traveled is 100 miles or less, or the worker is not residing in employer-provided housing or housing secured through an allowance as provided in paragraph (1)(G).

''(D) EARLY TERMINATION.—If the worker is laid off or employment is terminated for contract impossibility (as described in paragraph (4)(D)) before the anticipated ending date of employment, the employer shall provide the transportation and subsistence required by subparagraph (B) and, notwithstanding whether the worker has completed 50 percent of the period of employment, shall provide the transportation reimbursement required by subparagraph (A).

''(E) TRANSPORTATION BETWEEN LIVING QUARTERS AND WORKSITE.—The employer shall provide transportation between the worker's living quarters and the employer's worksite without cost to the worker, and such transportation will be in accordance with applicable laws and regulations.

''(3) REQUIRED WAGES.—

''(A) IN GENERAL.—An employer applying for workers under section 218(a) shall offer to pay, and shall pay, all workers in the occupation for which the employer has applied for workers, not less (and is not required to pay more) than the greater of the prevailing wage in the occupation in the area of intended employment or the adverse effect wage rate. No worker shall be paid less than the greater of the hourly wage prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State minimum wage.

''(B) LIMITATION.—Effective on the date of the enactment of the Agricultural Job Opportunities, Benefits, and Security Act of 2007 and continuing for 3 years thereafter, no adverse effect wage rate for a State may be more than the adverse effect wage rate for that State in effect on January 1, 2003, as established by section 655.107 of title 20, Code of Federal Regulations.

''(C) REQUIRED WAGES AFTER 3-YEAR FREEZE.—

''(i) FIRST ADJUSTMENT.—If Congress does not set a new wage standard applicable to this section before the first March 1 that is not less than 3 years after the date of enactment of this section, the adverse effect wage rate for each State beginning on such March 1 shall be the wage rate that would have resulted if the adverse effect wage rate in effect on January 1, 2003, had been annually adjusted, beginning on March 1, 2006, by the lesser of—

''(I) the 12-month percentage change in the Consumer Price Index for All Urban Consumers between December of the second preceding year and December of the preceding year; and

''(II) 4 percent.

''(ii) SUBSEQUENT ANNUAL ADJUSTMENTS.—Beginning on the first March 1 that is not less than 4 years after the date of enactment of this section, and each March 1 thereafter, the adverse effect wage rate then in effect for each State shall be adjusted by the lesser of—

''(I) the 12-month percentage change in the Consumer Price Index for All Urban Consumers between December of the second preceding year and December of the preceding year; and

''(II) 4 percent.

''(D) DEDUCTIONS.—The employer shall make only those deductions from the worker's wages that are authorized by law or are reasonable and customary in the occupation and area of employment. The job offer shall specify all deductions not required by law which the employer will make from the worker's wages.

''(E) FREQUENCY OF PAY.—The employer shall pay the worker not less frequently than twice monthly, or in accordance with the prevailing practice in the area of employment, whichever is more frequent.

''(F) HOURS AND EARNINGS STATEMENTS.—The employer shall furnish to the worker, on or before each payday, in 1 or more written statements—

''(i) the worker's total earnings for the pay period;

''(ii) the worker's hourly rate of pay, piece rate of pay, or both;

''(iii) the hours of employment which have been offered to the worker (broken out by hours offered in accordance with and over and above the ¾ guarantee described in paragraph (4);

''(iv) the hours actually worked by the worker;

''(v) an itemization of the deductions made from the worker's wages; and

''(vi) if piece rates of pay are used, the units produced daily.

''(G) REPORT ON WAGE PROTECTIONS.—Not later than December 31, 2009, the Comptroller General of the United States shall prepare and transmit to the Secretary of Labor, the Committee on the Judiciary of the Senate, and Committee on the Judiciary of the House of Representatives, a report that addresses—

''(i) whether the employment of H–2A or unauthorized aliens in the United States agricultural workforce has depressed United States farm worker wages below the levels that would otherwise have prevailed if alien farm workers had not been employed in the United States;

''(ii) whether an adverse effect wage rate is necessary to prevent wages of United States farm workers in occupations in which H–2A workers are employed from falling below the wage levels that would have prevailed in the absence of the employment of H–2A workers in those occupations;

''(iii) whether alternative wage standards, such as a prevailing wage standard, would be sufficient to prevent wages in occupations in which H–2A workers are employed from falling below the wage level that would have prevailed in the absence of H–2A employment;

''(iv) whether any changes are warranted in the current methodologies for calculating the adverse effect wage rate and the prevailing wage; and

''(v) recommendations for future wage protection under this section.

''(H) COMMISSION ON WAGE STANDARDS.—

''(i) ESTABLISHMENT.—There is established the Commission on Agricultural Wage Standards under the H–2A program (in this subparagraph referred to as the 'Commission').

''(ii) COMPOSITION.—The Commission shall consist of 10 members as follows:

''(I) Four representatives of agricultural employers and 1 representative of the Department of Agriculture, each appointed by the Secretary of Agriculture.

''(II) Four representatives of agricultural workers and 1 representative of the Department of Labor, each appointed by the Secretary of Labor.

''(iii) FUNCTIONS.—The Commission shall conduct a study that shall address—

''(I) whether the employment of H–2A or unauthorized aliens in the United States agricultural workforce has depressed United States farm worker wages below the levels that would otherwise have prevailed if alien farm workers had not been employed in the United States;

''(II) whether an adverse effect wage rate is necessary to prevent wages of United States farm workers in occupations in which H–2A workers are employed from falling below the wage levels that would have prevailed in the absence of the employment of H–2A workers in those occupations;

''(III) whether alternative wage standards, such as a prevailing wage standard, would be sufficient to prevent wages in occupations in which H–2A workers are employed from falling below the wage level that would have prevailed in the absence of H–2A employment;

''(IV) whether any changes are warranted in the current methodologies for calculating the adverse effect wage rate and the prevailing wage rate; and

''(V) recommendations for future wage protection under this section.

''(iv) FINAL REPORT.—Not later than December 31, 2009, the Commission shall submit a report to the Congress setting forth the findings of the study conducted under clause (iii).

''(v) TERMINATION DATE.—The Commission shall terminate upon submitting its final report.

''(4) GUARANTEE OF EMPLOYMENT.—

''(A) OFFER TO WORKER.—The employer shall guarantee to offer the worker employment for the hourly equivalent of at least ¾ of the work days of the total period of employment, beginning with the first work day after the arrival of the worker at the place of employment and ending on the expiration date specified in the job offer. For purposes of this subparagraph, the hourly equivalent means the number of hours in the work days as stated in the job offer and shall exclude the worker's Sabbath and Federal holidays. If the employer affords the United States or H–2A worker less employment than that required under this paragraph, the employer shall pay such worker the amount which the worker would have earned had the worker, in fact, worked for the guaranteed number of hours.

''(B) FAILURE TO WORK.—Any hours which the worker fails to work, up to a maximum of the number of hours specified in the job offer for a work day, when the worker has been offered an opportunity to do so, and all hours of work actually performed (including voluntary work in excess of the number of hours specified in the job offer in a work day, on the worker's Sabbath, or on Federal holidays) may be counted by the employer in calculating whether the period of guaranteed employment has been met.

''(C) ABANDONMENT OF EMPLOYMENT, TERMINATION FOR CAUSE.—If the worker voluntarily abandons employment before the end of the contract period, or is terminated for cause, the worker is not entitled to the '¾ guarantee' described in subparagraph (A).

''(D) CONTRACT IMPOSSIBILITY.—If, before the expiration of the period of employment specified in the job offer, the services of the worker are no longer required for reasons beyond the control of the employer due to any form of natural disaster, including a flood, hurricane, freeze, earthquake, fire, drought, plant or animal disease or pest infestation, or regulatory drought, before the guarantee

in subparagraph (A) is fulfilled, the employer may terminate the worker's employment. In the event of such termination, the employer shall fulfill the employment guarantee in subparagraph (A) for the work days that have elapsed from the first work day after the arrival of the worker to the termination of employment. In such cases, the employer will make efforts to transfer the United States worker to other comparable employment acceptable to the worker. If such transfer is not effected, the employer shall provide the return transportation required in paragraph (2)(D).

''(5) MOTOR VEHICLE SAFETY.—

''(A) MODE OF TRANSPORTATION SUBJECT TO COVERAGE.—

''(i) IN GENERAL.—Except as provided in clauses (iii) and (iv), this subsection applies to any H–2A employer that uses or causes to be used any vehicle to transport an H–2A worker within the United States.

''(ii) DEFINED TERM.—In this paragraph, the term 'uses or causes to be used'—

''(I) applies only to transportation provided by an H–2A employer to an H–2A worker, or by a farm labor contractor to an H–2A worker at the request or direction of an H–2A employer; and

''(II) does not apply to—

''(aa) transportation provided, or transportation arrangements made, by an H–2A worker, unless the employer specifically requested or arranged such transportation; or

''(bb) car pooling arrangements made by H–2A workers themselves, using 1 of the workers' own vehicles, unless specifically requested by the employer directly or through a farm labor contractor.

''(iii) CLARIFICATION.—Providing a job offer to an H–2A worker that causes the worker to travel to or from the place of employment, or the payment or reimbursement of the transportation costs of an H–2A worker by an H–2A employer, shall not constitute an arrangement of, or participation in, such transportation.

''(iv) AGRICULTURAL MACHINERY AND EQUIPMENT EXCLUDED.—This subsection does not apply to the transportation of an H–2A worker on a tractor, combine, harvester, picker, or other similar machinery or equipment while such worker is actually engaged in the planting, cultivating, or harvesting of agricultural commodities or the care of livestock or poultry or engaged in transportation incidental thereto.

''(v) COMMON CARRIERS EXCLUDED.—This subsection does not apply to common carrier motor vehicle transportation in which the provider holds itself out to the general public as engaging in the transportation of passengers for hire and holds a valid certification of authorization for such purposes from an appropriate Federal, State, or local agency.

''(B) APPLICABILITY OF STANDARDS, LICENSING, AND INSURANCE REQUIREMENTS.—

''(i) IN GENERAL.—When using, or causing to be used, any vehicle for the purpose of providing transportation to which this subparagraph applies, each employer shall—

''(I) ensure that each such vehicle conforms to the standards prescribed by the Secretary of Labor under section 401(b) of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1841(b)) and other applicable Federal and State safety standards;

''(II) ensure that each driver has a valid and appropriate license, as provided by State law, to operate the vehicle; and

''(III) have an insurance policy or a liability bond that is in effect which insures the employer against liability for damage to persons or property arising from the ownership, operation, or causing to be operated, of any vehicle used to transport any H–2A worker.

''(ii) AMOUNT OF INSURANCE REQUIRED.—The level of insurance required shall be determined by the Secretary of Labor pursuant to regulations to be issued under this subsection.

''(iii) EFFECT OF WORKERS' COMPENSATION COVERAGE.—If the employer of any H–2A worker provides workers' compensation coverage for such worker in the case of bodily injury or death as provided by State law, the following adjustments in the requirements of subparagraph (B)(i)(III) relating to having an insurance policy or liability bond apply:

''(I) No insurance policy or liability bond shall be required of the employer, if such workers are transported only under circumstances for which there is coverage under such State law.

''(II) An insurance policy or liability bond shall be required of the employer for circumstances under which coverage for the transportation of such workers is not provided under such State law.

''(c) COMPLIANCE WITH LABOR LAWS.—An employer shall assure that, except as otherwise provided in this section, the employer will comply with all applicable Federal, State, and local labor laws, including laws affecting migrant and seasonal agricultural workers, with respect to all United States workers and alien workers employed by the employer, except that a violation of this assurance shall not constitute a violation of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

''(d) COPY OF JOB OFFER.—The employer shall provide to the worker, not later than the day the work commences, a copy of the employer's application and job offer described in section 218(a), or, if the employer will require the worker to enter into a separate employment contract covering the employment in question, such separate employment contract.

''(e) RANGE PRODUCTION OF LIVESTOCK.—Nothing in this section, section 218, or section 218B shall preclude the Secretary of Labor and the Secretary from continuing to apply special procedures and requirements to the admission and employment of aliens in occupations involving the range production of livestock.

''SEC. 218B. PROCEDURE FOR ADMISSION AND EXTENSION OF STAY OF H–2A WORKERS.

''(a) PETITIONING FOR ADMISSION.—An employer, or an association acting as an agent or joint employer for its members, that seeks the admission into the United States of an H–2A worker may file a petition with the Secretary. The petition shall be accompanied by an accepted and currently valid certification provided by the Secretary of Labor under section 218(e)(2)(B) covering the petitioner.

''(b) EXPEDITED ADJUDICATION BY THE SECRETARY.—The Secretary shall establish a procedure for expedited adjudication of petitions filed under subsection (a) and within 7 working days shall, by fax, cable, or other means assuring expedited delivery, transmit a copy of notice of action on the petition to the petitioner and, in the case of approved petitions, to the appropriate immigration officer at the port of entry or United States consulate (as the case may be) where the petitioner has indicated that the alien beneficiary (or beneficiaries) will apply for a visa or admission to the United States.

''(c) CRITERIA FOR ADMISSIBILITY.—

''(1) IN GENERAL.—An H–2A worker shall be considered admissible to the United States if the alien is otherwise admissible under this section, section 218, and section 218A, and the alien is not ineligible under paragraph (2).

''(2) DISQUALIFICATION.—An alien shall be considered inadmissible to the United States and ineligible for nonimmigrant status under section 101(a)(15)(H)(ii)(a) if the alien has, at any time during the past 5 years—

''(A) violated a material provision of this section, including the requirement to promptly depart the United States when the alien's authorized period of admission under this section has expired; or

''(B) otherwise violated a term or condition of admission into the United States as a nonimmigrant, including overstaying the period of authorized admission as such a nonimmigrant.

''(3) WAIVER OF INELIGIBILITY FOR UNLAWFUL PRESENCE.—

''(A) IN GENERAL.—An alien who has not previously been admitted into the United States pursuant to this section, and who is otherwise eligible for admission in accordance with paragraphs (1) and (2), shall not be deemed inadmissible by virtue of section 212(a)(9)(B). If an alien described in the preceding sentence is present in the United States, the alien may apply from abroad for H–2A status, but may not be granted that status in the United States.

''(B) MAINTENANCE OF WAIVER.—An alien provided an initial waiver of ineligibility pursuant to subparagraph (A) shall remain eligible for such waiver unless the alien violates the terms of this section or again becomes ineligible under section 212(a)(9)(B) by virtue of unlawful presence in the United States after the date of the initial waiver of ineligibility pursuant to subparagraph (A).

''(d) PERIOD OF ADMISSION.—

''(1) IN GENERAL.—The alien shall be admitted for the period of employment in the application certified by the Secretary of Labor pursuant to section 218(e)(2)(B), not to exceed 10 months, supplemented by a period of not more than 1 week before the beginning of the period of employment for the purpose of travel to the worksite and a period of 14 days following the period of employment for the purpose of departure or extension based on a subsequent offer of employment, except that—

''(A) the alien is not authorized to be employed during such 14-day period except in the employment for which the alien was previously authorized; and

''(B) the total period of employment, including such 14-day period, may not exceed 10 months.

''(2) CONSTRUCTION.—Nothing in this subsection shall limit the authority of the Secretary to extend the stay of the alien under any other provision of this Act.

''(e) ABANDONMENT OF EMPLOYMENT.—

''(1) IN GENERAL.—An alien admitted or provided status under section 101(a)(15)(H)(ii)(a) who abandons the employment which was the basis for such admission or status shall be considered to have failed to maintain nonimmigrant status as an H–2A worker and shall depart the United States or be subject to removal under section 237(a)(1)(C)(i).

''(2) REPORT BY EMPLOYER.—The employer, or association acting as agent for the employer, shall notify the Secretary not later than 7 days after an H–2A worker prematurely abandons employment.

''(3) REMOVAL BY THE SECRETARY.—The Secretary shall promptly remove from the United States any H–2A worker who violates any term or condition of the worker's nonimmigrant status.

''(4) VOLUNTARY TERMINATION.—Notwithstanding paragraph (1), an alien may voluntarily terminate his or her employment if the alien promptly departs the United States upon termination of such employment.

''(f) REPLACEMENT OF ALIEN.—

''(1) IN GENERAL.—Upon presentation of the notice to the Secretary required by subsection (e)(2), the Secretary of State shall

promptly issue a visa to, and the Secretary shall admit into the United States, an eligible alien designated by the employer to replace an H–2A worker—

''(A) who abandons or prematurely terminates employment; or

''(B) whose employment is terminated after a United States worker is employed pursuant to section 218(b)(2)(H)(iii), if the United States worker voluntarily departs before the end of the period of intended employment or if the employment termination is for a lawful job-related reason.

''(2) CONSTRUCTION.—Nothing in this subsection is intended to limit any preference required to be accorded United States workers under any other provision of this Act.

''(g) IDENTIFICATION DOCUMENT.—

''(1) IN GENERAL.—Each alien authorized to be admitted under section 101(a)(15)(H)(ii)(a) shall be provided an identification and employment eligibility document to verify eligibility for employment in the United States and verify the alien's identity.

''(2) REQUIREMENTS.—No identification and employment eligibility document may be issued which does not meet the following requirements:

''(A) The document shall be capable of reliably determining whether—

''(i) the individual with the identification and employment eligibility document whose eligibility is being verified is in fact eligible for employment;

''(ii) the individual whose eligibility is being verified is claiming the identity of another person; and

''(iii) the individual whose eligibility is being verified is authorized to be admitted into, and employed in, the United States as an H–2A worker.

''(B) The document shall be in a form that is resistant to counterfeiting and to tampering.

''(C) The document shall—

''(i) be compatible with other databases of the Secretary for the purpose of excluding aliens from benefits for which they are not eligible and determining whether the alien is unlawfully present in the United States; and

''(ii) be compatible with law enforcement databases to determine if the alien has been convicted of criminal offenses.

''(h) EXTENSION OF STAY OF H–2A ALIENS IN THE UNITED STATES.—

''(1) EXTENSION OF STAY.—If an employer seeks approval to employ an H–2A alien who is lawfully present in the United States, the petition filed by the employer or an association pursuant to subsection (a), shall request an extension of the alien's stay and a change in the alien's employment.

''(2) LIMITATION ON FILING A PETITION FOR EXTENSION OF STAY.—A petition may not be filed for an extension of an alien's stay—

''(A) for a period of more than 10 months; or

''(B) to a date that is more than 3 years after the date of the alien's last admission to the United States under this section.

''(3) WORK AUTHORIZATION UPON FILING A PETITION FOR EXTENSION OF STAY.—

''(A) IN GENERAL.—An alien who is lawfully present in the United States may commence the employment described in a petition under paragraph (1) on the date on which the petition is filed.

''(B) DEFINITION.—For purposes of subparagraph (A), the term 'file' means sending the petition by certified mail via the United States Postal Service, return receipt requested, or delivered by guaranteed commercial delivery which will provide the employer with a documented acknowledgment of the date of receipt of the petition.

''(C) HANDLING OF PETITION.—The employer shall provide a copy of the employer's petition to the alien, who shall keep the petition with the alien's identification and employment eligibility document as evidence that the petition has been filed and that the alien is authorized to work in the United States.

''(D) APPROVAL OF PETITION.—Upon approval of a petition for an extension of stay or change in the alien's authorized employment, the Secretary shall provide a new or updated employment eligibility document to the alien indicating the new validity date, after which the alien is not required to retain a copy of the petition.

''(4) LIMITATION ON EMPLOYMENT AUTHORIZATION OF ALIENS WITHOUT VALID IDENTIFICATION AND EMPLOYMENT ELIGIBILITY DOCUMENT.—An expired identification and employment eligibility document, together with a copy of a petition for extension of stay or change in the alien's authorized employment that complies with the requirements of paragraph (1), shall constitute a valid work authorization document for a period of not more than 60 days beginning on the date on which such petition is filed, after which time only a currently valid identification and employment eligibility document shall be acceptable.

''(5) LIMITATION ON AN INDIVIDUAL'S STAY IN STATUS.—

''(A) MAXIMUM PERIOD.—The maximum continuous period of authorized status as an H–2A worker (including any extensions) is 3 years.

''(B) REQUIREMENT TO REMAIN OUTSIDE THE UNITED STATES.—

''(i) IN GENERAL.—Subject to clause (ii), in the case of an alien outside the United States whose period of authorized status as an H–2A worker (including any extensions) has expired, the alien may not again apply for admission to the United States as an H–2A worker unless the alien has remained outside the United States for a continuous period equal to at least ⅕ the duration of the alien's previous period of authorized status as an H–2A worker (including any extensions).

''(ii) EXCEPTION.—Clause (i) shall not apply in the case of an alien if the alien's period of authorized status as an H–2A worker (including any extensions) was for a period of not more than 10 months and such alien has been outside the United States for at least 2 months during the 12 months preceding the date the alien again is applying for admission to the United States as an H–2A worker.

''(i) SPECIAL RULES FOR ALIENS EMPLOYED AS SHEEPHERDERS, GOAT HERDERS, OR DAIRY WORKERS.—Notwithstanding any provision of the Agricultural Job Opportunities, Benefits, and Security Act of 2007, an alien admitted under section 101(a)(15)(H)(ii)(a) for employment as a sheepherder, goat herder, or dairy worker—

''(1) may be admitted for an initial period of 12 months;

''(2) subject to subsection (j)(5), may have such initial period of admission extended for a period of up to 3 years; and

''(3) shall not be subject to the requirements of subsection (h)(5) (relating to periods of absence from the United States).

''(j) ADJUSTMENT TO LAWFUL PERMANENT RESIDENT STATUS FOR ALIENS EMPLOYED AS SHEEPHERDERS, GOAT HERDERS, OR DAIRY WORKERS.—

''(1) ELIGIBLE ALIEN.—For purposes of this subsection, the term 'eligible alien' means an alien—

''(A) having nonimmigrant status under section 101(a)(15)(H)(ii)(a) based on employment as a sheepherder, goat herder, or dairy worker;

''(B) who has maintained such nonimmigrant status in the United States for a cumulative total of 36 months (excluding any period of absence from the United States); and

''(C) who is seeking to receive an immigrant visa under section 203(b)(3)(A)(iii).

''(2) CLASSIFICATION PETITION.—In the case of an eligible alien, the petition under section 204 for classification under section 203(b)(3)(A)(iii) may be filed by—

''(A) the alien's employer on behalf of the eligible alien; or

''(B) the eligible alien.

''(3) NO LABOR CERTIFICATION REQUIRED.—Notwithstanding section 203(b)(3)(C), no determination under section 212(a)(5)(A) is required with respect to an immigrant visa described in paragraph (1)(C) for an eligible alien.

''(4) EFFECT OF PETITION.—The filing of a petition described in paragraph (2) or an application for adjustment of status based on the approval of such a petition shall not constitute evidence of an alien's ineligibility for nonimmigrant status under section 101(a)(15)(H)(ii)(a).

''(5) EXTENSION OF STAY.—The Secretary shall extend the stay of an eligible alien having a pending or approved classification petition described in paragraph (2) in 1-year increments until a final determination is made on the alien's eligibility for adjustment of status to that of an alien lawfully admitted for permanent residence.

''(6) CONSTRUCTION.—Nothing in this subsection shall be construed to prevent an eligible alien from seeking adjustment of status in accordance with any other provision of law.

"SEC. 218C. WORKER PROTECTIONS AND LABOR STANDARDS ENFORCEMENT.

''(a) ENFORCEMENT AUTHORITY.—

''(1) INVESTIGATION OF COMPLAINTS.—

''(A) AGGRIEVED PERSON OR THIRD-PARTY COMPLAINTS.—The Secretary of Labor shall establish a process for the receipt, investigation, and disposition of complaints respecting a petitioner's failure to meet a condition specified in section 218(b), or an employer's misrepresentation of material facts in an application under section 218(a). Complaints may be filed by any aggrieved person or organization (including bargaining representatives). No investigation or hearing shall be conducted on a complaint concerning such a failure or misrepresentation unless the complaint was filed not later than 12 months after the date of the failure, or misrepresentation, respectively. The Secretary of Labor shall conduct an investigation under this subparagraph if there is reasonable cause to believe that such a failure or misrepresentation has occurred.

''(B) DETERMINATION ON COMPLAINT.—Under such process, the Secretary of Labor shall provide, within 30 days after the date such a complaint is filed, for a determination as to whether or not a reasonable basis exists to make a finding described in subparagraph (C), (D), (E), or (G). If the Secretary of Labor determines that such a reasonable basis exists, the Secretary of Labor shall provide for notice of such determination to the interested parties and an opportunity for a hearing on the complaint, in accordance with section 556 of title 5, United States Code, within 60 days after the date of the determination. If such a hearing is requested, the Secretary of Labor shall make a finding concerning the matter not later than 60 days after the date of the hearing. In the case of similar complaints respecting the same applicant, the Secretary of Labor may consolidate the hearings under this subparagraph on such complaints.

''(C) FAILURES TO MEET CONDITIONS.—If the Secretary of Labor finds, after notice and opportunity for a hearing, a failure to meet a condition of paragraph (1)(A), (1)(B), (1)(D), (1)(F), (2)(A), (2)(B), or (2)(G) of section 218(b), a substantial failure to meet a condition of paragraph (1)(C), (1)(E), (2)(C), (2)(D),

(2)(E), or (2)(H) of section 218(b), or a material misrepresentation of fact in an application under section 218(a)—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $1,000 per violation) as the Secretary of Labor determines to be appropriate; and

''(ii) the Secretary may disqualify the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) for a period of 1 year.

''(D) WILLFUL FAILURES AND WILLFUL MISREPRESENTATIONS.—If the Secretary of Labor finds, after notice and opportunity for hearing, a willful failure to meet a condition of section 218(b), a willful misrepresentation of a material fact in an application under section 218(a), or a violation of subsection (d)(1)—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $5,000 per violation) as the Secretary of Labor determines to be appropriate;

''(ii) the Secretary of Labor may seek appropriate legal or equitable relief to effectuate the purposes of subsection (d)(1); and

''(iii) the Secretary may disqualify the employer from the employment of H–2A workers for a period of 2 years.

''(E) DISPLACEMENT OF UNITED STATES WORKERS.—If the Secretary of Labor finds, after notice and opportunity for hearing, a willful failure to meet a condition of section 218(b) or a willful misrepresentation of a material fact in an application under section 218(a), in the course of which failure or misrepresentation the employer displaced a United States worker employed by the employer during the period of employment on the employer's application under section 218(a) or during the period of 30 days preceding such period of employment—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $15,000 per violation) as the Secretary of Labor determines to be appropriate; and

''(ii) the Secretary may disqualify the employer from the employment of H–2A workers for a period of 3 years.

''(F) LIMITATIONS ON CIVIL MONEY PENALTIES.—The Secretary of Labor shall not impose total civil money penalties with respect to an application under section 218(a) in excess of $90,000.

''(G) FAILURES TO PAY WAGES OR REQUIRED BENEFITS.—If the Secretary of Labor finds, after notice and opportunity for a hearing, that the employer has failed to pay the wages, or provide the housing allowance, transportation, subsistence reimbursement, or guarantee of employment, required under section 218A(b), the Secretary of Labor shall assess payment of back wages, or other required benefits, due any United States worker or H–2A worker employed by the employer in the specific employment in question. The back wages or other required benefits under section 218A(b) shall be equal to the difference between the amount that should have been paid and the amount that actually was paid to such worker.

''(2) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed as limiting the authority of the Secretary of Labor to conduct any compliance investigation under any other labor law, including any law affecting migrant and seasonal agricultural workers, or, in the absence of a complaint under this section, under section 218 or 218A.

''(b) RIGHTS ENFORCEABLE BY PRIVATE RIGHT OF ACTION.—H–2A workers may enforce the following rights through the private right of action provided in subsection (c), and no other right of action shall exist under Federal or State law to enforce such rights:

''(1) The providing of housing or a housing allowance as required under section 218A(b)(1).

''(2) The reimbursement of transportation as required under section 218A(b)(2).

''(3) The payment of wages required under section 218A(b)(3) when due.

''(4) The benefits and material terms and conditions of employment expressly provided in the job offer described in section 218(a)(2), not including the assurance to comply with other Federal, State, and local labor laws described in section 218A(c), compliance with which shall be governed by the provisions of such laws.

''(5) The guarantee of employment required under section 218A(b)(4).

''(6) The motor vehicle safety requirements under section 218A(b)(5).

''(7) The prohibition of discrimination under subsection (d)(2).

''(c) PRIVATE RIGHT OF ACTION.—

''(1) MEDIATION.—Upon the filing of a complaint by an H–2A worker aggrieved by a violation of rights enforceable under subsection (b), and within 60 days of the filing of proof of service of the complaint, a party to the action may file a request with the Federal Mediation and Conciliation Service to assist the parties in reaching a satisfactory resolution of all issues involving all parties to the dispute. Upon a filing of such request and giving of notice to the parties, the parties shall attempt mediation within the period specified in subparagraph (B).

''(A) MEDIATION SERVICES.—The Federal Mediation and Conciliation Service shall be available to assist in resolving disputes arising under subsection (b) between H–2A workers and agricultural employers without charge to the parties.

''(B) 90-DAY LIMIT.—The Federal Mediation and Conciliation Service may conduct mediation or other nonbinding dispute resolution activities for a period not to exceed 90 days beginning on the date on which the Federal Mediation and Conciliation Service receives the request for assistance unless the parties agree to an extension of this period of time.

''(C) AUTHORIZATION.—

''(i) IN GENERAL.—Subject to clause (ii), there are authorized to be appropriated to the Federal Mediation and Conciliation Service $500,000 for each fiscal year to carry out this section.

''(ii) MEDIATION.—Notwithstanding any other provision of law, the Director of the Federal Mediation and Conciliation Service is authorized to conduct the mediation or other dispute resolution activities from any other appropriated funds available to the Director and to reimburse such appropriated funds when the funds are appropriated pursuant to this authorization, such reimbursement to be credited to appropriations currently available at the time of receipt.

''(2) MAINTENANCE OF CIVIL ACTION IN DISTRICT COURT BY AGGRIEVED PERSON.—An H–2A worker aggrieved by a violation of rights enforceable under subsection (b) by an agricultural employer or other person may file suit in any district court of the United States having jurisdiction over the parties, without regard to the amount in controversy, without regard to the citizenship of the parties, and without regard to the exhaustion of any alternative administrative remedies under this Act, not later than 3 years after the date the violation occurs.

''(3) ELECTION.—An H–2A worker who has filed an administrative complaint with the Secretary of Labor may not maintain a civil action under paragraph (2) unless a complaint based on the same violation filed with the Secretary of Labor under subsection (a)(1) is withdrawn before the filing of such action, in which case the rights and remedies available under this subsection shall be exclusive.

''(4) PREEMPTION OF STATE CONTRACT RIGHTS.—Nothing in this Act shall be construed to diminish the rights and remedies of an H–2A worker under any other Federal or State law or regulation or under any collective bargaining agreement, except that no court or administrative action shall be available under any State contract law to enforce the rights created by this Act.

''(5) WAIVER OF RIGHTS PROHIBITED.—Agreements by employees purporting to waive or modify their rights under this Act shall be void as contrary to public policy, except that a waiver or modification of the rights or obligations in favor of the Secretary of Labor shall be valid for purposes of the enforcement of this Act. The preceding sentence may not be construed to prohibit agreements to settle private disputes or litigation.

''(6) AWARD OF DAMAGES OR OTHER EQUITABLE RELIEF.—

''(A) If the court finds that the respondent has intentionally violated any of the rights enforceable under subsection (b), it shall award actual damages, if any, or equitable relief.

''(B) Any civil action brought under this section shall be subject to appeal as provided in chapter 83 of title 28, United States Code.

''(7) WORKERS' COMPENSATION BENEFITS; EXCLUSIVE REMEDY.—

''(A) Notwithstanding any other provision of this section, where a State's workers' compensation law is applicable and coverage is provided for an H–2A worker, the workers' compensation benefits shall be the exclusive remedy for the loss of such worker under this section in the case of bodily injury or death in accordance with such State's workers' compensation law.

''(B) The exclusive remedy prescribed in subparagraph (A) precludes the recovery under paragraph (6) of actual damages for loss from an injury or death but does not preclude other equitable relief, except that such relief shall not include back or front pay or in any manner, directly or indirectly, expand or otherwise alter or affect—

''(i) a recovery under a State workers' compensation law; or

''(ii) rights conferred under a State workers' compensation law.

''(8) TOLLING OF STATUTE OF LIMITATIONS.—If it is determined under a State workers' compensation law that the workers' compensation law is not applicable to a claim for bodily injury or death of an H–2A worker, the statute of limitations for bringing an action for actual damages for such injury or death under subsection (c) shall be tolled for the period during which the claim for such injury or death under such State workers' compensation law was pending. The statute of limitations for an action for actual damages or other equitable relief arising out of the same transaction or occurrence as the injury or death of the H–2A worker shall be tolled for the period during which the claim for such injury or death was pending under the State workers' compensation law.

''(9) PRECLUSIVE EFFECT.—Any settlement by an H–2A worker and an H–2A employer or any person reached through the mediation process required under subsection (c)(1) shall preclude any right of action arising out of the same facts between the parties in any Federal or State court or administrative proceeding, unless specifically provided otherwise in the settlement agreement.

''(10) SETTLEMENTS.—Any settlement by the Secretary of Labor with an H–2A employer on behalf of an H–2A worker of a complaint filed with the Secretary of Labor under this section or any finding by the Secretary of Labor under subsection (a)(1)(B) shall preclude any right of action arising out of the same facts between the parties under any Federal or State court or administrative proceeding, unless specifically provided otherwise in the settlement agreement.

''(d) DISCRIMINATION PROHIBITED.—

''(1) IN GENERAL.—It is a violation of this subsection for any person who has filed an application under section 218(a), to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any other manner discriminate against an employee (which term, for purposes of this subsection, includes a former employee and an applicant for employment) because the employee has disclosed information to the employer, or to any other person, that the employee reasonably believes evidences a violation of section 218 or 218A or any rule or regulation pertaining to section 218 or 218A, or because the employee cooperates or seeks to cooperate in an investigation or other proceeding concerning the employer's compliance with the requirements of section 218 or 218A or any rule or regulation pertaining to either of such sections.

''(2) DISCRIMINATION AGAINST H–2A WORKERS.—It is a violation of this subsection for any person who has filed an application under section 218(a), to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate against an H–2A employee because such worker has, with just cause, filed a complaint with the Secretary of Labor regarding a denial of the rights enumerated and enforceable under subsection (b) or instituted, or caused to be instituted, a private right of action under subsection (c) regarding the denial of the rights enumerated under subsection (b), or has testified or is about to testify in any court proceeding brought under subsection (c).

''(e) AUTHORIZATION TO SEEK OTHER APPROPRIATE EMPLOYMENT.—The Secretary of Labor and the Secretary shall establish a process under which an H–2A worker who files a complaint regarding a violation of subsection (d) and is otherwise eligible to remain and work in the United States may be allowed to seek other appropriate employment in the United States for a period not to exceed the maximum period of stay authorized for such nonimmigrant classification.

''(f) ROLE OF ASSOCIATIONS.—

''(1) VIOLATION BY A MEMBER OF AN ASSOCIATION.—An employer on whose behalf an application is filed by an association acting as its agent is fully responsible for such application, and for complying with the terms and conditions of sections 218 and 218A, as though the employer had filed the application itself. If such an employer is determined, under this section, to have committed a violation, the penalty for such violation shall apply only to that member of the association unless the Secretary of Labor determines that the association or other member participated in, had knowledge, or reason to know, of the violation, in which case the penalty shall be invoked against the association or other association member as well.

''(2) VIOLATIONS BY AN ASSOCIATION ACTING AS AN EMPLOYER.—If an association filing an application as a sole or joint employer is determined to have committed a violation under this section, the penalty for such violation shall apply only to the association unless the Secretary of Labor determines that an association member or members participated in or had knowledge, or reason to know of the violation, in which case the penalty shall be invoked against the association member or members as well.

''SEC. 218D. DEFINITIONS.

''For purposes of this section and section 218, 218A, 218B, and 218C:

''(1) AGRICULTURAL EMPLOYMENT.—The term 'agricultural employment' means any service or activity that is considered to be agricultural under section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or agricultural labor under section 3121(g) of the Internal Revenue Code of 1986 or the performance of agricultural labor or services described in section 101(a)(15)(H)(ii)(a).

''(2) BONA FIDE UNION.—The term 'bona fide union' means any organization in which employees participate and which exists for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or other terms and conditions of work for agricultural employees. Such term does not include an organization formed, created, administered, supported, dominated, financed, or controlled by an employer or employer association or its agents or representatives.

''(3) DISPLACE.—The term 'displace', in the case of an application with respect to 1 or more H–2A workers by an employer, means laying off a United States worker from a job for which the H–2A worker or workers is or are sought.

''(4) ELIGIBLE.—The term 'eligible', when used with respect to an individual, means an individual who is not an unauthorized alien (as defined in section 274A).

''(5) EMPLOYER.—The term 'employer' means any person or entity, including any farm labor contractor and any agricultural association, that employs workers in agricultural employment.

''(6) H–2A EMPLOYER.—The term 'H–2A employer' means an employer who seeks to hire 1 or more nonimmigrant aliens described in section 101(a)(15)(H)(ii)(a).

''(7) H–2A WORKER.—The term 'H–2A worker' means a nonimmigrant described in section 101(a)(15)(H)(ii)(a).

''(8) JOB OPPORTUNITY.—The term 'job opportunity' means a job opening for temporary or seasonal full-time employment at a place in the United States to which United States workers can be referred.

''(9) LAYING OFF.—

''(A) IN GENERAL.—The term 'laying off', with respect to a worker—

''(i) means to cause the worker's loss of employment, other than through a discharge for inadequate performance, violation of workplace rules, cause, voluntary departure, voluntary retirement, contract impossibility (as described in section 218A(b)(4)(D)), or temporary suspension of employment due to weather, markets, or other temporary conditions; but

''(ii) does not include any situation in which the worker is offered, as an alternative to such loss of employment, a similar employment opportunity with the same employer (or, in the case of a placement of a worker with another employer under section 218(b)(2)(E), with either employer described in such section) at equivalent or higher compensation and benefits than the position from which the employee was discharged, regardless of whether or not the employee accepts the offer.

''(B) STATUTORY CONSTRUCTION.—Nothing in this paragraph is intended to limit an employee's rights under a collective bargaining agreement or other employment contract.

''(10) REGULATORY DROUGHT.—The term 'regulatory drought' means a decision subsequent to the filing of the application under section 218 by an entity not under the control of the employer making such filing which restricts the employer's access to water for irrigation purposes and reduces or limits the employer's ability to produce an agricultural commodity, thereby reducing the need for labor.

''(11) SEASONAL.—Labor is performed on a 'seasonal' basis if—

''(A) ordinarily, it pertains to or is of the kind exclusively performed at certain seasons or periods of the year; and

''(B) from its nature, it may not be continuous or carried on throughout the year.

''(12) SECRETARY.—Except as otherwise provided, the term 'Secretary' means the Secretary of Homeland Security.

''(13) TEMPORARY.—A worker is employed on a 'temporary' basis where the employment is intended not to exceed 10 months.

''(14) UNITED STATES WORKER.—The term 'United States worker' means any worker, whether a national of the United States, an alien lawfully admitted for permanent residence, or any other alien, who is authorized to work in the job opportunity within the United States, except an alien admitted or otherwise provided status under section 101(a)(15)(H)(ii)(a).''.

(b) TABLE OF CONTENTS.—The table of contents of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by striking the item relating to section 218 and inserting the following:

''Sec. 218. H–2A employer applications.
''Sec. 218A. H–2A employment requirements.
''Sec. 218B. Procedure for admission and extension of stay of H–2A workers.
''Sec. 218C. Worker protections and labor standards enforcement.
''Sec. 218D. Definitions.''.

Subtitle C—Miscellaneous Provisions

SEC. 241. DETERMINATION AND USE OF USER FEES.

(a) SCHEDULE OF FEES.—The Secretary shall establish and periodically adjust a schedule of fees for the employment of aliens pursuant to the amendment made by section 231(a) of this Act and a collection process for such fees from employers. Such fees shall be the only fees chargeable to employers for services provided under such amendment.

(b) DETERMINATION OF SCHEDULE.—

(1) IN GENERAL.—The schedule under subsection (a) shall reflect a fee rate based on the number of job opportunities indicated in the employer's application under section 218 of the Immigration and Nationality Act, as amended by section 231 of this Act, and sufficient to provide for the direct costs of providing services related to an employer's authorization to employ aliens pursuant to the amendment made by section 231(a) of this Act, to include the certification of eligible employers, the issuance of documentation, and the admission of eligible aliens.

(2) PROCEDURE.—

(A) IN GENERAL.—In establishing and adjusting such a schedule, the Secretary shall comply with Federal cost accounting and fee setting standards.

(B) PUBLICATION AND COMMENT.—The Secretary shall publish in the Federal Register an initial fee schedule and associated collection process and the cost data or estimates upon which such fee schedule is based, and any subsequent amendments thereto, pursuant to which public comment shall be sought and a final rule issued.

(c) USE OF PROCEEDS.—Notwithstanding any other provision of law, all proceeds resulting from the payment of the fees pursuant to the amendment made by section 231(a) of this Act shall be available without further appropriation and shall remain available without fiscal year limitation to reimburse the Secretary, the Secretary of State, and the Secretary of Labor for the costs of carrying out sections 218 and 218B of the Immigration and Nationality Act, as amended and

added, respectively, by section 231 of this Act, and the provisions of this title.

SEC. 242. REGULATIONS.

(a) REQUIREMENT FOR THE SECRETARY TO CONSULT.—The Secretary shall consult with the Secretary of Labor and the Secretary of Agriculture during the promulgation of all regulations to implement the duties of the Secretary under this title and the amendments made by this title.

(b) REQUIREMENT FOR THE SECRETARY OF STATE TO CONSULT.—The Secretary of State shall consult with the Secretary, the Secretary of Labor, and the Secretary of Agriculture on all regulations to implement the duties of the Secretary of State under this title and the amendments made by this title.

(c) REQUIREMENT FOR THE SECRETARY OF LABOR TO CONSULT.—The Secretary of Labor shall consult with the Secretary of Agriculture and the Secretary on all regulations to implement the duties of the Secretary of Labor under this title and the amendments made by this title.

(d) DEADLINE FOR ISSUANCE OF REGULATIONS.—All regulations to implement the duties of the Secretary, the Secretary of State, and the Secretary of Labor created under sections 218, 218A, 218B, 218C, and 218D of the Immigration and Nationality Act, as amended or added by section 231 of this Act, shall take effect on the effective date of section 231 and shall be issued not later than 1 year after the date of enactment of this Act.

SEC. 243. REPORTS TO CONGRESS.

(a) ANNUAL REPORT.—Not later than September 30 of each year, the Secretary shall submit a report to Congress that identifies, for the previous year—

(1) the number of job opportunities approved for employment of aliens admitted under section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a)), and the number of workers actually admitted, disaggregated by State and by occupation;

(2) the number of such aliens reported to have abandoned employment pursuant to subsection 218B(e)(2) of such Act;

(3) the number of such aliens who departed the United States within the period specified in subsection 218B(d) of such Act;

(4) the number of aliens who applied for adjustment of status pursuant to section 211(a);

(5) the number of such aliens whose status was adjusted under section 211(a);

(6) the number of aliens who applied for permanent residence pursuant to section 213(c); and

(7) the number of such aliens who were approved for permanent residence pursuant section 213(c).

(b) IMPLEMENTATION REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall prepare and submit to Congress a report that describes the measures being taken and the progress made in implementing this Act.

SEC. 244. EFFECTIVE DATE.

Except as otherwise provided, sections 231 and 241 shall take effect 1 year after the date of the enactment of this Act.

SA 168. Mrs. FEINSTEIN (for herself and Mr. CRAIG) submitted an amendment intended to be proposed to amendment SA 117 submitted by Mr. CHAMBLISS (for himself, Mr. BURR, and Mr. ISAKSON) and intended to be proposed to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

TITLE II—AGJOBS ACT OF 2007

SEC. 201. SHORT TITLE.

This title may be cited as the ''Agricultural Job Opportunities, Benefits, and Security Act of 2007'' or the ''AgJOBS Act of 2007''.

SEC. 202. DEFINITIONS.

In this title:

(1) AGRICULTURAL EMPLOYMENT.—The term ''agricultural employment'' means any service or activity that is considered to be agricultural under section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or agricultural labor under section 3121(g) of the Internal Revenue Code of 1986 or the performance of agricultural labor or services described in section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a)).

(2) BLUE CARD STATUS.—The term ''blue card status'' means the status of an alien who has been lawfully admitted into the United States for temporary residence under section 211(a).

(3) DEPARTMENT.—The term ''Department'' means the Department of Homeland Security.

(4) EMPLOYER.—The term ''employer'' means any person or entity, including any farm labor contractor and any agricultural association, that employs workers in agricultural employment.

(5) SECRETARY.—Except as otherwise provided, the term ''Secretary'' means the Secretary of Homeland Security.

(6) TEMPORARY.—A worker is employed on a ''temporary'' basis when the employment is intended not to exceed 10 months.

(7) WORK DAY.—The term ''work day'' means any day in which the individual is employed 5.75 or more hours in agricultural employment.

Subtitle A—Pilot Program for Earned Status Adjustment of Agricultural Workers

PART I—BLUE CARD STATUS

SEC. 211. REQUIREMENTS FOR BLUE CARD STATUS.

(a) REQUIREMENT TO GRANT BLUE CARD STATUS.—Notwithstanding any other provision of law, the Secretary shall, pursuant to the requirements of this section, grant blue card status to an alien who qualifies under this section if the Secretary determines that the alien—

(1) has performed agricultural employment in the United States for at least 863 hours or 150 work days during the 24-month period ending on December 31, 2006;

(2) applied for such status during the 18-month application period beginning on the first day of the seventh month that begins after the date of enactment of this Act;

(3) is otherwise admissible to the United States under section 212 of the Immigration and Nationality Act (8 U.S.C. 1182), except as otherwise provided under section 215(b); and

(4) has not been convicted of any felony or a misdemeanor, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500.

(b) AUTHORIZED TRAVEL.—An alien who is granted blue card status is authorized to travel outside the United States (including commuting to the United States from a residence in a foreign country) in the same manner as an alien lawfully admitted for permanent residence.

(c) AUTHORIZED EMPLOYMENT.—The Secretary shall provide an alien who is granted blue card status an employment authorized endorsement or other appropriate work permit, in the same manner as an alien lawfully admitted for permanent residence.

(d) TERMINATION OF BLUE CARD STATUS.—

(1) IN GENERAL.—The Secretary may terminate blue card status granted to an alien under this section only if the Secretary determines that the alien is deportable.

(2) GROUNDS FOR TERMINATION OF BLUE CARD STATUS.—Before any alien becomes eligible for adjustment of status under section 213, the Secretary may deny adjustment to permanent resident status and provide for termination of the blue card status granted such alien under paragraph (1) if—

(A) the Secretary finds, by a preponderance of the evidence, that the adjustment to blue card status was the result of fraud or willful misrepresentation (as described in section 212(a)(6)(C)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(i)); or

(B) the alien—

(i) commits an act that makes the alien inadmissible to the United States as an immigrant, except as provided under section 215(b);

(ii) is convicted of a felony or 3 or more misdemeanors committed in the United States;

(iii) is convicted of an offense, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500; or

(iv) fails to perform the agricultural employment required under section 213(a)(1)(A) unless the alien was unable to work in agricultural employment due to the extraordinary circumstances described in section 213(a)(3).

(e) RECORD OF EMPLOYMENT.—

(1) IN GENERAL.—Each employer of an alien granted blue card status under this section shall annually—

(A) provide a written record of employment to the alien; and

(B) provide a copy of such record to the Secretary.

(2) SUNSET.—The obligation under paragraph (1) shall terminate on the date that is 6 years after the date of the enactment of this Act.

(f) REQUIRED FEATURES OF IDENTITY CARD.—The Secretary shall provide each alien granted blue card status, and the spouse and any child of each such alien residing in the United States, with a card that contains—

(1) an encrypted, machine-readable, electronic identification strip that is unique to the alien to whom the card is issued;

(2) biometric identifiers, including fingerprints and a digital photograph; and

(3) physical security features designed to prevent tampering, counterfeiting, or duplication of the card for fraudulent purposes.

(g) FINE.—An alien granted blue card status shall pay a fine of $100 to the Secretary.

(h) MAXIMUM NUMBER.—The Secretary may not issue more than 1,500,000 blue cards during the 5-year period beginning on the date of the enactment of this Act.

SEC. 212. TREATMENT OF ALIENS GRANTED BLUE CARD STATUS.

(a) IN GENERAL.—Except as otherwise provided under this section, an alien granted blue card status shall be considered to be an alien lawfully admitted for permanent residence for purposes of any law other than any provision of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.).

(b) DELAYED ELIGIBILITY FOR CERTAIN FEDERAL PUBLIC BENEFITS.—An alien granted blue card status shall not be eligible, by reason of such status, for any form of assistance or benefit described in section 403(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(a)) until 5 years after the date on which the alien is granted an adjustment of status under section 213.

(c) TERMS OF EMPLOYMENT.—

(1) PROHIBITION.—No alien granted blue card status may be terminated from employment by any employer during the period of blue card status except for just cause.

(2) TREATMENT OF COMPLAINTS.—

(A) ESTABLISHMENT OF PROCESS.—The Secretary shall establish a process for the receipt, initial review, and disposition of complaints by aliens granted blue card status who allege that they have been terminated without just cause. No proceeding shall be conducted under this paragraph with respect to a termination unless the Secretary determines that the complaint was filed not later than 6 months after the date of the termination.

(B) INITIATION OF ARBITRATION.—If the Secretary finds that an alien has filed a complaint in accordance with subparagraph (A) and there is reasonable cause to believe that the alien was terminated from employment without just cause, the Secretary shall initiate binding arbitration proceedings by requesting the Federal Mediation and Conciliation Service to appoint a mutually agreeable arbitrator from the roster of arbitrators maintained by such Service for the geographical area in which the employer is located. The procedures and rules of such Service shall be applicable to the selection of such arbitrator and to such arbitration proceedings. The Secretary shall pay the fee and expenses of the arbitrator, subject to the availability of appropriations for such purpose.

(C) ARBITRATION PROCEEDINGS.—The arbitrator shall conduct the proceeding under this paragraph in accordance with the policies and procedures promulgated by the American Arbitration Association applicable to private arbitration of employment disputes. The arbitrator shall make findings respecting whether the termination was for just cause. The arbitrator may not find that the termination was for just cause unless the employer so demonstrates by a preponderance of the evidence. If the arbitrator finds that the termination was not for just cause, the arbitrator shall make a specific finding of the number of days or hours of work lost by the employee as a result of the termination. The arbitrator shall have no authority to order any other remedy, including reinstatement, back pay, or front pay to the affected employee. Not later than 30 days after the date of the conclusion of the arbitration proceeding, the arbitrator shall transmit the findings in the form of a written opinion to the parties to the arbitration and the Secretary. Such findings shall be final and conclusive, and no official or court of the United States shall have the power or jurisdiction to review any such findings.

(D) EFFECT OF ARBITRATION FINDINGS.—If the Secretary receives a finding of an arbitrator that an employer has terminated the employment of an alien who is granted blue card status without just cause, the Secretary shall credit the alien for the number of days or hours of work not performed during such period of termination for the purpose of determining if the alien meets the qualifying employment requirement of section 213(a).

(E) TREATMENT OF ATTORNEY'S FEES.—Each party to an arbitration under this paragraph shall bear the cost of their own attorney's fees for the arbitration.

(F) NONEXCLUSIVE REMEDY.—The complaint process provided for in this paragraph is in addition to any other rights an employee may have in accordance with applicable law.

(G) EFFECT ON OTHER ACTIONS OR PROCEEDINGS.—Any finding of fact or law, judgment, conclusion, or final order made by an arbitrator in the proceeding before the Secretary shall not be conclusive or binding in any separate or subsequent action or proceeding between the employee and the employee's current or prior employer brought before an arbitrator, administrative agency, court, or judge of any State or the United States, regardless of whether the prior action was between the same or related parties or involved the same facts, except that the arbitrator's specific finding of the number of days or hours of work lost by the employee as a result of the employment termination may be referred to the Secretary pursuant to subparagraph (D).

(3) CIVIL PENALTIES.—

(A) IN GENERAL.—If the Secretary finds, after notice and opportunity for a hearing, that an employer of an alien granted blue card status has failed to provide the record of employment required under section 211(e) or has provided a false statement of material fact in such a record, the employer shall be subject to a civil money penalty in an amount not to exceed $1,000 per violation.

(B) LIMITATION.—The penalty applicable under subparagraph (A) for failure to provide records shall not apply unless the alien has provided the employer with evidence of employment authorization granted under this section.

SEC. 213. ADJUSTMENT TO PERMANENT RESIDENCE.

(a) IN GENERAL.—Except as provided in subsection (b), the Secretary shall adjust the status of an alien granted blue card status to that of an alien lawfully admitted for permanent residence if the Secretary determines that the following requirements are satisfied:

(1) QUALIFYING EMPLOYMENT.—

(A) IN GENERAL.—Subject to subparagraph (B), the alien has performed at least—

(i) 5 years of agricultural employment in the United States for at least 100 work days per year, during the 5-year period beginning on the date of the enactment of this Act; or

(ii) 3 years of agricultural employment in the United States for at least 150 work days per year, during the 3-year period beginning on the date of the enactment of this Act.

(B) 4-YEAR PERIOD OF EMPLOYMENT.—An alien shall be considered to meet the requirements of subparagraph (A) if the alien has performed 4 years of agricultural employment in the United States for at least 150 work days during 3 years of those 4 years and at least 100 work days during the remaining year, during the 4-year period beginning on the date of the enactment of this Act.

(2) PROOF.—An alien may demonstrate compliance with the requirement under paragraph (1) by submitting—

(A) the record of employment described in section 211(e); or

(B) such documentation as may be submitted under section 214(c).

(3) EXTRAORDINARY CIRCUMSTANCES.—In determining whether an alien has met the requirement of paragraph (1)(A), the Secretary may credit the alien with not more than 12 additional months to meet the requirement of that subparagraph if the alien was unable to work in agricultural employment due to—

(A) pregnancy, injury, or disease, if the alien can establish such pregnancy, disabling injury, or disease through medical records;

(B) illness, disease, or other special needs of a minor child, if the alien can establish such illness, disease, or special needs through medical records; or

(C) severe weather conditions that prevented the alien from engaging in agricultural employment for a significant period of time.

(4) APPLICATION PERIOD.—The alien applies for adjustment of status not later than 7 years after the date of the enactment of this Act.

(5) FINE.—The alien pays a fine of $400 to the Secretary.

(b) GROUNDS FOR DENIAL OF ADJUSTMENT OF STATUS.—The Secretary may deny an alien granted blue card status an adjustment of status under this section and provide for termination of such blue card status if—

(1) the Secretary finds by a preponderance of the evidence that the adjustment to blue card status was the result of fraud or willful misrepresentation, as described in section 212(a)(6)(C)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(i)); or

(2) the alien—

(A) commits an act that makes the alien inadmissible to the United States under section 212 of the Immigration and Nationality Act (8 U.S.C. 1182), except as provided under section 215(b);

(B) is convicted of a felony or 3 or more misdemeanors committed in the United States; or

(C) is convicted of an offense, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500.

(c) GROUNDS FOR REMOVAL.—Any alien granted blue card status who does not apply for adjustment of status under this section before the expiration of the application period described in subsection (a)(4) or who fails to meet the other requirements of subsection (a) by the end of the application period, is deportable and may be removed under section 240 of the Immigration and Nationality Act (8 U.S.C. 1229a).

(d) PAYMENT OF TAXES.—

(1) IN GENERAL.—Not later than the date on which an alien's status is adjusted under this section, the alien shall establish that the alien does not owe any applicable Federal tax liability by establishing that—

(A) no such tax liability exists;

(B) all such outstanding tax liabilities have been paid; or

(C) the alien has entered into an agreement for payment of all outstanding liabilities with the Internal Revenue Service.

(2) APPLICABLE FEDERAL TAX LIABILITY.—In paragraph (1) the term ''applicable Federal tax liability'' means liability for Federal taxes, including penalties and interest, owed for any year during the period of employment required under subsection (a)(1) for which the statutory period for assessment of any deficiency for such taxes has not expired.

(3) IRS COOPERATION.—The Secretary of the Treasury shall establish rules and procedures under which the Commissioner of Internal Revenue shall provide documentation to an alien upon request to establish the payment of all taxes required by this subsection.

(e) SPOUSES AND MINOR CHILDREN.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall confer the status of lawful permanent resident on the spouse and minor child of an alien granted any adjustment of status under subsection (a), including any individual who was a minor child on the date such alien was granted blue card status, if the spouse or minor child applies for such status, or if the principal alien includes the spouse or minor child in an application for adjustment of status to that of a lawful permanent resident.

(2) TREATMENT OF SPOUSES AND MINOR CHILDREN.—

(A) GRANTING OF STATUS AND REMOVAL.—The Secretary may grant derivative status to the alien spouse and any minor child residing in the United States of an alien granted blue card status and shall not remove such derivative spouse or child during the period that the alien granted blue card status maintains such status, except as provided in paragraph (3). A grant of derivative status to such a spouse or child under this subparagraph shall not decrease the number of aliens who may receive blue card status under subsection (h) of section 211.

(B) TRAVEL.—The derivative spouse and any minor child of an alien granted blue card status may travel outside the United States

in the same manner as an alien lawfully admitted for permanent residence.

(C) EMPLOYMENT.—The derivative spouse of an alien granted blue card status may apply to the Secretary for a work permit to authorize such spouse to engage in any lawful employment in the United States while such alien maintains blue card status.

(3) GROUNDS FOR DENIAL OF ADJUSTMENT OF STATUS AND REMOVAL.—The Secretary may deny an alien spouse or child adjustment of status under paragraph (1) and may remove such spouse or child under section 240 of the Immigration and Nationality Act (8 U.S.C. 1229a) if the spouse or child—

(A) commits an act that makes the alien spouse or child inadmissible to the United States under section 212 of such Act (8 U.S.C. 1182), except as provided under section 215(b);

(B) is convicted of a felony or 3 or more misdemeanors committed in the United States; or

(C) is convicted of an offense, an element of which involves bodily injury, threat of serious bodily injury, or harm to property in excess of $500.

SEC. 214. APPLICATIONS.

(a) SUBMISSION.—The Secretary shall provide that—

(1) applications for blue card status under section 211 may be submitted—

(A) to the Secretary if the applicant is represented by an attorney or a nonprofit religious, charitable, social service, or similar organization recognized by the Board of Immigration Appeals under section 292.2 of title 8, Code of Federal Regulations; or

(B) to a qualified designated entity if the applicant consents to the forwarding of the application to the Secretary; and

(2) applications for adjustment of status under section 213 shall be filed directly with the Secretary.

(b) QUALIFIED DESIGNATED ENTITY DEFINED.—In this section, the term ''qualified designated entity'' means—

(1) a qualified farm labor organization or an association of employers designated by the Secretary; or

(2) any such other person designated by the Secretary if that Secretary determines such person is qualified and has substantial experience, demonstrated competence, and has a history of long-term involvement in the preparation and submission of applications for adjustment of status under section 209, 210, or 245 of the Immigration and Nationality Act (8 U.S.C. 1159, 1160, and 1255), the Act entitled ''An Act to adjust the status of Cuban refugees to that of lawful permanent residents of the United States, and for other purposes'', approved November 2, 1966 (Public Law 89–732; 8 U.S.C. 1255 note), Public Law 95–145 (8 U.S.C. 1255 note), or the Immigration Reform and Control Act of 1986 (Public Law 99–603; 100 Stat. 3359) or any amendment made by that Act.

(c) PROOF OF ELIGIBILITY.—

(1) IN GENERAL.—An alien may establish that the alien meets the requirement of section 211(a)(1) or 213(a)(1) through government employment records or records supplied by employers or collective bargaining organizations, and other reliable documentation as the alien may provide. The Secretary shall establish special procedures to properly credit work in cases in which an alien was employed under an assumed name.

(2) DOCUMENTATION OF WORK HISTORY.—

(A) BURDEN OF PROOF.—An alien applying for status under section 211(a) or 213(a) has the burden of proving by a preponderance of the evidence that the alien has worked the requisite number of hours or days required under section 211(a)(1) or 213(a)(1), as applicable.

(B) TIMELY PRODUCTION OF RECORDS.—If an employer or farm labor contractor employing such an alien has kept proper and adequate records respecting such employment, the alien's burden of proof under subparagraph (A) may be met by securing timely production of those records under regulations to be promulgated by the Secretary.

(C) SUFFICIENT EVIDENCE.—An alien may meet the burden of proof under subparagraph (A) to establish that the alien has performed the days or hours of work required by section 211(a)(1) or 213(a)(1) by producing sufficient evidence to show the extent of that employment as a matter of just and reasonable inference.

(d) APPLICATIONS SUBMITTED TO QUALIFIED DESIGNATED ENTITIES.—

(1) REQUIREMENTS.—Each qualified designated entity shall agree—

(A) to forward to the Secretary an application submitted to that entity pursuant to subsection (a)(1)(B) if the applicant has consented to such forwarding;

(B) not to forward to the Secretary any such application if the applicant has not consented to such forwarding; and

(C) to assist an alien in obtaining documentation of the alien's work history, if the alien requests such assistance.

(2) NO AUTHORITY TO MAKE DETERMINATIONS.—No qualified designated entity may make a determination required by this subtitle to be made by the Secretary.

(e) LIMITATION ON ACCESS TO INFORMATION.—Files and records collected or compiled by a qualified designated entity for the purposes of this section are confidential and the Secretary shall not have access to such a file or record relating to an alien without the consent of the alien, except as allowed by a court order issued pursuant to subsection (f).

(f) CONFIDENTIALITY OF INFORMATION.—

(1) IN GENERAL.—Except as otherwise provided in this section, the Secretary or any other official or employee of the Department or a bureau or agency of the Department is prohibited from—

(A) using information furnished by the applicant pursuant to an application filed under this title, the information provided by an applicant to a qualified designated entity, or any information provided by an employer or former employer for any purpose other than to make a determination on the application or for imposing the penalties described in subsection (g);

(B) making any publication in which the information furnished by any particular individual can be identified; or

(C) permitting a person other than a sworn officer or employee of the Department or a bureau or agency of the Department or, with respect to applications filed with a qualified designated entity, that qualified designated entity, to examine individual applications.

(2) REQUIRED DISCLOSURES.—The Secretary shall provide the information furnished under this title or any other information derived from such furnished information to—

(A) a duly recognized law enforcement entity in connection with a criminal investigation or prosecution, if such information is requested in writing by such entity; or

(B) an official coroner, for purposes of affirmatively identifying a deceased individual, whether or not the death of such individual resulted from a crime.

(3) CONSTRUCTION.—

(A) IN GENERAL.—Nothing in this subsection shall be construed to limit the use, or release, for immigration enforcement purposes or law enforcement purposes, of information contained in files or records of the Department pertaining to an application filed under this section, other than information furnished by an applicant pursuant to the application, or any other information derived from the application, that is not available from any other source.

(B) CRIMINAL CONVICTIONS.—Notwithstanding any other provision of this subsection, information concerning whether the alien applying for blue card status under section 211 or an adjustment of status under section 213 has been convicted of a crime at any time may be used or released for immigration enforcement or law enforcement purposes.

(4) CRIME.—Any person who knowingly uses, publishes, or permits information to be examined in violation of this subsection shall be subject to a fine in an amount not to exceed $10,000.

(g) PENALTIES FOR FALSE STATEMENTS IN APPLICATIONS.—

(1) CRIMINAL PENALTY.—Any person who—

(A) files an application for blue card status under section 211 or an adjustment of status under section 213 and knowingly and willfully falsifies, conceals, or covers up a material fact or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry; or

(B) creates or supplies a false writing or document for use in making such an application,

shall be fined in accordance with title 18, United States Code, imprisoned not more than 5 years, or both.

(2) INADMISSIBILITY.—An alien who is convicted of a crime under paragraph (1) shall be considered to be inadmissible to the United States on the ground described in section 212(a)(6)(C)(i) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(i)).

(h) ELIGIBILITY FOR LEGAL SERVICES.—Section 504(a)(11) of Public Law 104–134 (110 Stat. 1321–53 et seq.) shall not be construed to prevent a recipient of funds under the Legal Services Corporation Act (42 U.S.C. 2996 et seq.) from providing legal assistance directly related to an application for blue card status under section 211 or an adjustment of status under section 213.

(i) APPLICATION FEES.—

(1) FEE SCHEDULE.—The Secretary shall provide for a schedule of fees that—

(A) shall be charged for the filing of an application for blue card status under section 211 or for an adjustment of status under section 213; and

(B) may be charged by qualified designated entities to help defray the costs of services provided to such applicants.

(2) PROHIBITION ON EXCESS FEES BY QUALIFIED DESIGNATED ENTITIES.—A qualified designated entity may not charge any fee in excess of, or in addition to, the fees authorized under paragraph (1)(B) for services provided to applicants.

(3) DISPOSITION OF FEES.—

(A) IN GENERAL.—There is established in the general fund of the Treasury a separate account, which shall be known as the ''Agricultural Worker Immigration Status Adjustment Account''. Notwithstanding any other provision of law, there shall be deposited as offsetting receipts into the account all fees collected under paragraph (1)(A).

(B) USE OF FEES FOR APPLICATION PROCESSING.—Amounts deposited in the ''Agricultural Worker Immigration Status Adjustment Account'' shall remain available to the Secretary until expended for processing applications for blue card status under section 211 or an adjustment of status under section 213.

SEC. 215. WAIVER OF NUMERICAL LIMITATIONS AND CERTAIN GROUNDS FOR INADMISSIBILITY.

(a) NUMERICAL LIMITATIONS DO NOT APPLY.—The numerical limitations of sections 201 and 202 of the Immigration and Nationality Act (8 U.S.C. 1151 and 1152) shall not apply to the adjustment of aliens to lawful permanent resident status under section 213.

(b) WAIVER OF CERTAIN GROUNDS OF INADMISSIBILITY.—In the determination of an alien's eligibility for status under section 211(a) or an alien's eligibility for adjustment of status under section 213(b)(2)(A) the following rules shall apply:

(1) GROUNDS OF EXCLUSION NOT APPLICABLE.—The provisions of paragraphs (5), (6)(A), (7), and (9) of section 212(a) of the Immigration and Nationality Act (8 U.S.C. 1182(a)) shall not apply.

(2) WAIVER OF OTHER GROUNDS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may waive any other provision of such section 212(a) in the case of individual aliens for humanitarian purposes, to ensure family unity, or if otherwise in the public interest.

(B) GROUNDS THAT MAY NOT BE WAIVED.—Paragraphs (2)(A), (2)(B), (2)(C), (3), and (4) of such section 212(a) may not be waived by the Secretary under subparagraph (A).

(C) CONSTRUCTION.—Nothing in this paragraph shall be construed as affecting the authority of the Secretary other than under this subparagraph to waive provisions of such section 212(a).

(3) SPECIAL RULE FOR DETERMINATION OF PUBLIC CHARGE.—An alien is not ineligible for blue card status under section 211 or an adjustment of status under section 213 by reason of a ground of inadmissibility under section 212(a)(4) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(4)) if the alien demonstrates a history of employment in the United States evidencing self-support without reliance on public cash assistance.

(c) TEMPORARY STAY OF REMOVAL AND WORK AUTHORIZATION FOR CERTAIN APPLICANTS.—

(1) BEFORE APPLICATION PERIOD.—Effective on the date of enactment of this Act, the Secretary shall provide that, in the case of an alien who is apprehended before the beginning of the application period described in section 211(a)(2) and who can establish a nonfrivolous case of eligibility for blue card status (but for the fact that the alien may not apply for such status until the beginning of such period), until the alien has had the opportunity during the first 30 days of the application period to complete the filing of an application for blue card status, the alien—

(A) may not be removed; and

(B) shall be granted authorization to engage in employment in the United States and be provided an employment authorized endorsement or other appropriate work permit for such purpose.

(2) DURING APPLICATION PERIOD.—The Secretary shall provide that, in the case of an alien who presents a nonfrivolous application for blue card status during the application period described in section 211(a)(2), including an alien who files such an application within 30 days of the alien's apprehension, and until a final determination on the application has been made in accordance with this section, the alien—

(A) may not be removed; and

(B) shall be granted authorization to engage in employment in the United States and be provided an employment authorized endorsement or other appropriate work permit for such purpose.

SEC. 216. ADMINISTRATIVE AND JUDICIAL REVIEW.

(a) IN GENERAL.—There shall be no administrative or judicial review of a determination respecting an application for blue card status under section 211 or adjustment of status under section 213 except in accordance with this section.

(b) ADMINISTRATIVE REVIEW.—

(1) SINGLE LEVEL OF ADMINISTRATIVE APPELLATE REVIEW.—The Secretary shall establish an appellate authority to provide for a single level of administrative appellate review of such a determination.

(2) STANDARD FOR REVIEW.—Such administrative appellate review shall be based solely upon the administrative record established at the time of the determination on the application and upon such additional or newly discovered evidence as may not have been available at the time of the determination.

(c) JUDICIAL REVIEW.—

(1) LIMITATION TO REVIEW OF REMOVAL.—There shall be judicial review of such a determination only in the judicial review of an order of removal under section 242 of the Immigration and Nationality Act (8 U.S.C. 1252).

(2) STANDARD FOR JUDICIAL REVIEW.—Such judicial review shall be based solely upon the administrative record established at the time of the review by the appellate authority and the findings of fact and determinations contained in such record shall be conclusive unless the applicant can establish abuse of discretion or that the findings are directly contrary to clear and convincing facts contained in the record considered as a whole.

SEC. 217. USE OF INFORMATION.

Beginning not later than the first day of the application period described in section 211(a)(2), the Secretary, in cooperation with qualified designated entities (as that term is defined in section 214(b)), shall broadly disseminate information respecting the benefits that aliens may receive under this subtitle and the requirements that an alien is required to meet to receive such benefits.

SEC. 218. REGULATIONS, EFFECTIVE DATE, AUTHORIZATION OF APPROPRIATIONS.

(a) REGULATIONS.—The Secretary shall issue regulations to implement this subtitle not later than the first day of the seventh month that begins after the date of enactment of this Act.

(b) EFFECTIVE DATE.—This subtitle shall take effect on the date that regulations required by subsection (a) are issued, regardless of whether such regulations are issued on an interim basis or on any other basis.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as may be necessary to implement this subtitle, including any sums needed for costs associated with the initiation of such implementation, for fiscal years 2007 and 2008.

PART II—CORRECTION OF SOCIAL SECURITY RECORDS

SEC. 221. CORRECTION OF SOCIAL SECURITY RECORDS.

(a) IN GENERAL.—Section 208(e)(1) of the Social Security Act (42 U.S.C. 408(e)(1)) is amended—

(1) in subparagraph (B)(ii), by striking ''or'' at the end;

(2) in subparagraph (C), by inserting ''or'' at the end;

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

''(D) who is granted blue card status under the Agricultural Job Opportunity, Benefits, and Security Act of 2007,''; and

(4) by striking ''1990.'' and inserting ''1990, or in the case of an alien described in subparagraph (D), if such conduct is alleged to have occurred before the date on which the alien was granted blue card status.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the seventh month that begins after the date of the enactment of this Act.

Subtitle B—Reform of H–2A Worker Program

SEC. 231. AMENDMENT TO THE IMMIGRATION AND NATIONALITY ACT.

(a) IN GENERAL.—Title II of the Immigration and Nationality Act (8 U.S.C. 1151 et seq.) is amended by striking section 218 and inserting the following:

"SEC. 218. H–2A EMPLOYER APPLICATIONS.

''(a) APPLICATIONS TO THE SECRETARY OF LABOR.—

''(1) IN GENERAL.—No alien may be admitted to the United States as an H–2A worker, or otherwise provided status as an H–2A worker, unless the employer has filed with the Secretary of Labor an application containing—

''(A) the assurances described in subsection (b);

''(B) a description of the nature and location of the work to be performed;

''(C) the anticipated period (expected beginning and ending dates) for which the workers will be needed; and

''(D) the number of job opportunities in which the employer seeks to employ the workers.

''(2) ACCOMPANIED BY JOB OFFER.—Each application filed under paragraph (1) shall be accompanied by a copy of the job offer describing the wages and other terms and conditions of employment and the bona fide occupational qualifications that shall be possessed by a worker to be employed in the job opportunity in question.

''(b) ASSURANCES FOR INCLUSION IN APPLICATIONS.—The assurances referred to in subsection (a)(1) are the following:

''(1) JOB OPPORTUNITIES COVERED BY COLLECTIVE BARGAINING AGREEMENTS.—With respect to a job opportunity that is covered under a collective bargaining agreement:

''(A) UNION CONTRACT DESCRIBED.—The job opportunity is covered by a union contract which was negotiated at arm's length between a bona fide union and the employer.

''(B) STRIKE OR LOCKOUT.—The specific job opportunity for which the employer is requesting an H–2A worker is not vacant because the former occupant is on strike or being locked out in the course of a labor dispute.

''(C) NOTIFICATION OF BARGAINING REPRESENTATIVES.—The employer, at the time of filing the application, has provided notice of the filing under this paragraph to the bargaining representative of the employer's employees in the occupational classification at the place or places of employment for which aliens are sought.

''(D) TEMPORARY OR SEASONAL JOB OPPORTUNITIES.—The job opportunity is temporary or seasonal.

''(E) OFFERS TO UNITED STATES WORKERS.—The employer has offered or will offer the job to any eligible United States worker who applies and is equally or better qualified for the job for which the nonimmigrant is, or the nonimmigrants are, sought and who will be available at the time and place of need.

''(F) PROVISION OF INSURANCE.—If the job opportunity is not covered by the State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of, and in the course of, the worker's employment which will provide benefits at least equal to those provided under the State's workers' compensation law for comparable employment.

''(2) JOB OPPORTUNITIES NOT COVERED BY COLLECTIVE BARGAINING AGREEMENTS.—With

respect to a job opportunity that is not covered under a collective bargaining agreement:

''(A) STRIKE OR LOCKOUT.—The specific job opportunity for which the employer has applied for an H–2A worker is not vacant because the former occupant is on strike or being locked out in the course of a labor dispute.

''(B) TEMPORARY OR SEASONAL JOB OPPORTUNITIES.—The job opportunity is temporary or seasonal.

''(C) BENEFIT, WAGE, AND WORKING CONDITIONS.—The employer will provide, at a minimum, the benefits, wages, and working conditions required by section 218A to all workers employed in the job opportunities for which the employer has applied for an H–2A worker under subsection (a) and to all other workers in the same occupation at the place of employment.

''(D) NONDISPLACEMENT OF UNITED STATES WORKERS.—The employer did not displace and will not displace a United States worker employed by the employer during the period of employment and for a period of 30 days preceding the period of employment in the occupation at the place of employment for which the employer has applied for an H–2A worker.

''(E) REQUIREMENTS FOR PLACEMENT OF THE NONIMMIGRANT WITH OTHER EMPLOYERS.—The employer will not place the nonimmigrant with another employer unless—

''(i) the nonimmigrant performs duties in whole or in part at 1 or more worksites owned, operated, or controlled by such other employer;

''(ii) there are indicia of an employment relationship between the nonimmigrant and such other employer; and

''(iii) the employer has inquired of the other employer as to whether, and has no actual knowledge or notice that, during the period of employment and for a period of 30 days preceding the period of employment, the other employer has displaced or intends to displace a United States worker employed by the other employer in the occupation at the place of employment for which the employer seeks approval to employ H–2A workers.

''(F) STATEMENT OF LIABILITY.—The application form shall include a clear statement explaining the liability under subparagraph (E) of an employer if the other employer described in such subparagraph displaces a United States worker as described in such subparagraph.

''(G) PROVISION OF INSURANCE.—If the job opportunity is not covered by the State workers' compensation law, the employer will provide, at no cost to the worker, insurance covering injury and disease arising out of and in the course of the worker's employment which will provide benefits at least equal to those provided under the State's workers' compensation law for comparable employment.

''(H) EMPLOYMENT OF UNITED STATES WORKERS.—

''(i) RECRUITMENT.—The employer has taken or will take the following steps to recruit United States workers for the job opportunities for which the H–2A nonimmigrant is, or H–2A nonimmigrants are, sought:

''(I) CONTACTING FORMER WORKERS.—The employer shall make reasonable efforts through the sending of a letter by United States Postal Service mail, or otherwise, to contact any United States worker the employer employed during the previous season in the occupation at the place of intended employment for which the employer is applying for workers and has made the availability of the employer's job opportunities in the occupation at the place of intended employment known to such previous workers, unless the worker was terminated from employment by the employer for a lawful job-related reason or abandoned the job before the worker completed the period of employment of the job opportunity for which the worker was hired.

''(II) FILING A JOB OFFER WITH THE LOCAL OFFICE OF THE STATE EMPLOYMENT SECURITY AGENCY.—Not later than 28 days before the date on which the employer desires to employ an H–2A worker in a temporary or seasonal agricultural job opportunity, the employer shall submit a copy of the job offer described in subsection (a)(2) to the local office of the State employment security agency which serves the area of intended employment and authorize the posting of the job opportunity on 'America's Job Bank' or other electronic job registry, except that nothing in this subclause shall require the employer to file an interstate job order under section 653 of title 20, Code of Federal Regulations.

''(III) ADVERTISING OF JOB OPPORTUNITIES.—Not later than 14 days before the date on which the employer desires to employ an H–2A worker in a temporary or seasonal agricultural job opportunity, the employer shall advertise the availability of the job opportunities for which the employer is seeking workers in a publication in the local labor market that is likely to be patronized by potential farm workers.

''(IV) EMERGENCY PROCEDURES.—The Secretary of Labor shall, by regulation, provide a procedure for acceptance and approval of applications in which the employer has not complied with the provisions of this subparagraph because the employer's need for H–2A workers could not reasonably have been foreseen.

''(ii) JOB OFFERS.—The employer has offered or will offer the job to any eligible United States worker who applies and is equally or better qualified for the job for which the nonimmigrant is, or nonimmigrants are, sought and who will be available at the time and place of need.

''(iii) PERIOD OF EMPLOYMENT.—The employer will provide employment to any qualified United States worker who applies to the employer during the period beginning on the date on which the H–2A worker departs for the employer's place of employment and ending on the date on which 50 percent of the period of employment for which the H–2A worker who is in the job was hired has elapsed, subject to the following requirements:

''(I) PROHIBITION.—No person or entity shall willfully and knowingly withhold United States workers before the arrival of H–2A workers in order to force the hiring of United States workers under this clause.

''(II) COMPLAINTS.—Upon receipt of a complaint by an employer that a violation of subclause (I) has occurred, the Secretary of Labor shall immediately investigate. The Secretary of Labor shall, within 36 hours of the receipt of the complaint, issue findings concerning the alleged violation. If the Secretary of Labor finds that a violation has occurred, the Secretary of Labor shall immediately suspend the application of this clause with respect to that certification for that date of need.

''(III) PLACEMENT OF UNITED STATES WORKERS.—Before referring a United States worker to an employer during the period described in the matter preceding subclause (I), the Secretary of Labor shall make all reasonable efforts to place the United States worker in an open job acceptable to the worker, if there are other job offers pending with the job service that offer similar job opportunities in the area of intended employment.

''(iv) STATUTORY CONSTRUCTION.—Nothing in this subparagraph shall be construed to prohibit an employer from using such legitimate selection criteria relevant to the type of job that are normal or customary to the type of job involved so long as such criteria are not applied in a discriminatory manner.

''(c) APPLICATIONS BY ASSOCIATIONS ON BEHALF OF EMPLOYER MEMBERS.—

''(1) IN GENERAL.—An agricultural association may file an application under subsection (a) on behalf of 1 or more of its employer members that the association certifies in its application has or have agreed in writing to comply with the requirements of this section and sections 218A, 218B, and 218C.

''(2) TREATMENT OF ASSOCIATIONS ACTING AS EMPLOYERS.—If an association filing an application under paragraph (1) is a joint or sole employer of the temporary or seasonal agricultural workers requested on the application, the certifications granted under subsection (e)(2)(B) to the association may be used for the certified job opportunities of any of its producer members named on the application, and such workers may be transferred among such producer members to perform the agricultural services of a temporary or seasonal nature for which the certifications were granted.

''(d) WITHDRAWAL OF APPLICATIONS.—

''(1) IN GENERAL.—An employer may withdraw an application filed pursuant to subsection (a), except that if the employer is an agricultural association, the association may withdraw an application filed pursuant to subsection (a) with respect to 1 or more of its members. To withdraw an application, the employer or association shall notify the Secretary of Labor in writing, and the Secretary of Labor shall acknowledge in writing the receipt of such withdrawal notice. An employer who withdraws an application under subsection (a), or on whose behalf an application is withdrawn, is relieved of the obligations undertaken in the application.

''(2) LIMITATION.—An application may not be withdrawn while any alien provided status under section 101(a)(15)(H)(ii)(a) pursuant to such application is employed by the employer.

''(3) OBLIGATIONS UNDER OTHER STATUTES.—Any obligation incurred by an employer under any other law or regulation as a result of the recruitment of United States workers or H–2A workers under an offer of terms and conditions of employment required as a result of making an application under subsection (a) is unaffected by withdrawal of such application.

''(e) REVIEW AND APPROVAL OF APPLICATIONS.—

''(1) RESPONSIBILITY OF EMPLOYERS.—The employer shall make available for public examination, within 1 working day after the date on which an application under subsection (a) is filed, at the employer's principal place of business or worksite, a copy of each such application (and such accompanying documents as are necessary).

''(2) RESPONSIBILITY OF THE SECRETARY OF LABOR.—

''(A) COMPILATION OF LIST.—The Secretary of Labor shall compile, on a current basis, a list (by employer and by occupational classification) of the applications filed under subsection (a). Such list shall include the wage rate, number of workers sought, period of intended employment, and date of need. The Secretary of Labor shall make such list available for examination in the District of Columbia.

''(B) REVIEW OF APPLICATIONS.—The Secretary of Labor shall review such an application only for completeness and obvious inaccuracies. Unless the Secretary of Labor finds

that the application is incomplete or obviously inaccurate, the Secretary of Labor shall certify that the intending employer has filed with the Secretary of Labor an application as described in subsection (a). Such certification shall be provided within 7 days of the filing of the application.''

''SEC. 218A. H–2A EMPLOYMENT REQUIREMENTS.

''(a) PREFERENTIAL TREATMENT OF ALIENS PROHIBITED.—Employers seeking to hire United States workers shall offer the United States workers no less than the same benefits, wages, and working conditions that the employer is offering, intends to offer, or will provide to H–2A workers. Conversely, no job offer may impose on United States workers any restrictions or obligations which will not be imposed on the employer's H–2A workers.

''(b) MINIMUM BENEFITS, WAGES, AND WORKING CONDITIONS.—Except in cases where higher benefits, wages, or working conditions are required by the provisions of subsection (a), in order to protect similarly employed United States workers from adverse effects with respect to benefits, wages, and working conditions, every job offer which shall accompany an application under section 218(b)(2) shall include each of the following benefit, wage, and working condition provisions:

''(1) REQUIREMENT TO PROVIDE HOUSING OR A HOUSING ALLOWANCE.—

''(A) IN GENERAL.—An employer applying under section 218(a) for H–2A workers shall offer to provide housing at no cost to all workers in job opportunities for which the employer has applied under that section and to all other workers in the same occupation at the place of employment, whose place of residence is beyond normal commuting distance.

''(B) TYPE OF HOUSING.—In complying with subparagraph (A), an employer may, at the employer's election, provide housing that meets applicable Federal standards for temporary labor camps or secure housing that meets applicable local standards for rental or public accommodation housing or other substantially similar class of habitation, or in the absence of applicable local standards, State standards for rental or public accommodation housing or other substantially similar class of habitation. In the absence of applicable local or State standards, Federal temporary labor camp standards shall apply.

''(C) FAMILY HOUSING.—If it is the prevailing practice in the occupation and area of intended employment to provide family housing, family housing shall be provided to workers with families who request it.

''(D) WORKERS ENGAGED IN THE RANGE PRODUCTION OF LIVESTOCK.—The Secretary of Labor shall issue regulations that address the specific requirements for the provision of housing to workers engaged in the range production of livestock.

''(E) LIMITATION.—Nothing in this paragraph shall be construed to require an employer to provide or secure housing for persons who were not entitled to such housing under the temporary labor certification regulations in effect on June 1, 1986.

''(F) CHARGES FOR HOUSING.—

''(i) CHARGES FOR PUBLIC HOUSING.—If public housing provided for migrant agricultural workers under the auspices of a local, county, or State government is secured by an employer, and use of the public housing unit normally requires charges from migrant workers, such charges shall be paid by the employer directly to the appropriate individual or entity affiliated with the housing's management.

''(ii) DEPOSIT CHARGES.—Charges in the form of deposits for bedding or other similar incidentals related to housing shall not be levied upon workers by employers who provide housing for their workers. An employer may require a worker found to have been responsible for damage to such housing which is not the result of normal wear and tear related to habitation to reimburse the employer for the reasonable cost of repair of such damage.

''(G) HOUSING ALLOWANCE AS ALTERNATIVE.—

''(i) IN GENERAL.—If the requirement set out in clause (ii) is satisfied, the employer may provide a reasonable housing allowance instead of offering housing under subparagraph (A). Upon the request of a worker seeking assistance in locating housing, the employer shall make a good faith effort to assist the worker in identifying and locating housing in the area of intended employment. An employer who offers a housing allowance to a worker, or assists a worker in locating housing which the worker occupies, pursuant to this clause shall not be deemed a housing provider under section 203 of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1823) solely by virtue of providing such housing allowance. No housing allowance may be used for housing which is owned or controlled by the employer.

''(ii) CERTIFICATION.—The requirement of this clause is satisfied if the Governor of the State certifies to the Secretary of Labor that there is adequate housing available in the area of intended employment for migrant farm workers and H–2A workers who are seeking temporary housing while employed in agricultural work. Such certification shall expire after 3 years unless renewed by the Governor of the State.

''(iii) AMOUNT OF ALLOWANCE.—

''(I) NONMETROPOLITAN COUNTIES.—If the place of employment of the workers provided an allowance under this subparagraph is a nonmetropolitan county, the amount of the housing allowance under this subparagraph shall be equal to the statewide average fair market rental for existing housing for nonmetropolitan counties for the State, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

''(II) METROPOLITAN COUNTIES.—If the place of employment of the workers provided an allowance under this paragraph is in a metropolitan county, the amount of the housing allowance under this subparagraph shall be equal to the statewide average fair market rental for existing housing for metropolitan counties for the State, as established by the Secretary of Housing and Urban Development pursuant to section 8(c) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)), based on a 2-bedroom dwelling unit and an assumption of 2 persons per bedroom.

''(2) REIMBURSEMENT OF TRANSPORTATION.—

''(A) TO PLACE OF EMPLOYMENT.—A worker who completes 50 percent of the period of employment of the job opportunity for which the worker was hired shall be reimbursed by the employer for the cost of the worker's transportation and subsistence from the place from which the worker came to work for the employer (or place of last employment, if the worker traveled from such place) to the place of employment.

''(B) FROM PLACE OF EMPLOYMENT.—A worker who completes the period of employment for the job opportunity involved shall be reimbursed by the employer for the cost of the worker's transportation and subsistence from the place of employment to the place from which the worker, disregarding intervening employment, came to work for the employer, or to the place of next employment, if the worker has contracted with a subsequent employer who has not agreed to provide or pay for the worker's transportation and subsistence to such subsequent employer's place of employment.

''(C) LIMITATION.—

''(i) AMOUNT OF REIMBURSEMENT.—Except as provided in clause (ii), the amount of reimbursement provided under subparagraph (A) or (B) to a worker or alien shall not exceed the lesser of—

''(I) the actual cost to the worker or alien of the transportation and subsistence involved; or

''(II) the most economical and reasonable common carrier transportation charges and subsistence costs for the distance involved.

''(ii) DISTANCE TRAVELED.—No reimbursement under subparagraph (A) or (B) shall be required if the distance traveled is 100 miles or less, or the worker is not residing in employer-provided housing or housing secured through an allowance as provided in paragraph (1)(G).

''(D) EARLY TERMINATION.—If the worker is laid off or employment is terminated for contract impossibility (as described in paragraph (4)(D)) before the anticipated ending date of employment, the employer shall provide the transportation and subsistence required by subparagraph (B) and, notwithstanding whether the worker has completed 50 percent of the period of employment, shall provide the transportation reimbursement required by subparagraph (A).

''(E) TRANSPORTATION BETWEEN LIVING QUARTERS AND WORKSITE.—The employer shall provide transportation between the worker's living quarters and the employer's worksite without cost to the worker, and such transportation will be in accordance with applicable laws and regulations.

''(3) REQUIRED WAGES.—

''(A) IN GENERAL.—An employer applying for workers under section 218(a) shall offer to pay, and shall pay, all workers in the occupation for which the employer has applied for workers, not less (and is not required to pay more) than the greater of the prevailing wage in the occupation in the area of intended employment or the adverse effect wage rate. No worker shall be paid less than the greater of the hourly wage prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) or the applicable State minimum wage.

''(B) LIMITATION.—Effective on the date of the enactment of the Agricultural Job Opportunities, Benefits, and Security Act of 2007 and continuing for 3 years thereafter, no adverse effect wage rate for a State may be more than the adverse effect wage rate for that State in effect on January 1, 2003, as established by section 655.107 of title 20, Code of Federal Regulations.

''(C) REQUIRED WAGES AFTER 3-YEAR FREEZE.—

''(i) FIRST ADJUSTMENT.—If Congress does not set a new wage standard applicable to this section before the first March 1 that is not less than 3 years after the date of enactment of this section, the adverse effect wage rate for each State beginning on such March 1 shall be the wage rate that would have resulted if the adverse effect wage rate in effect on January 1, 2003, had been annually adjusted, beginning on March 1, 2006, by the lesser of—

''(I) the 12-month percentage change in the Consumer Price Index for All Urban Consumers between December of the second preceding year and December of the preceding year; and

''(II) 4 percent.

''(ii) SUBSEQUENT ANNUAL ADJUSTMENTS.—Beginning on the first March 1 that is not less than 4 years after the date of enactment of this section, and each March 1 thereafter, the adverse effect wage rate then in effect

for each State shall be adjusted by the lesser of—

''(I) the 12-month percentage change in the Consumer Price Index for All Urban Consumers between December of the second preceding year and December of the preceding year; and

''(II) 4 percent.

''(D) DEDUCTIONS.—The employer shall make only those deductions from the worker's wages that are authorized by law or are reasonable and customary in the occupation and area of employment. The job offer shall specify all deductions not required by law which the employer will make from the worker's wages.

''(E) FREQUENCY OF PAY.—The employer shall pay the worker not less frequently than twice monthly, or in accordance with the prevailing practice in the area of employment, whichever is more frequent.

''(F) HOURS AND EARNINGS STATEMENTS.—The employer shall furnish to the worker, on or before each payday, in 1 or more written statements—

''(i) the worker's total earnings for the pay period;

''(ii) the worker's hourly rate of pay, piece rate of pay, or both;

''(iii) the hours of employment which have been offered to the worker (broken out by hours offered in accordance with and over and above the ¾ guarantee described in paragraph (4);

''(iv) the hours actually worked by the worker;

''(v) an itemization of the deductions made from the worker's wages; and

''(vi) if piece rates of pay are used, the units produced daily.

''(G) REPORT ON WAGE PROTECTIONS.—Not later than December 31, 2009, the Comptroller General of the United States shall prepare and transmit to the Secretary of Labor, the Committee on the Judiciary of the Senate, and Committee on the Judiciary of the House of Representatives, a report that addresses—

''(i) whether the employment of H–2A or unauthorized aliens in the United States agricultural workforce has depressed United States farm worker wages below the levels that would otherwise have prevailed if alien farm workers had not been employed in the United States;

''(ii) whether an adverse effect wage rate is necessary to prevent wages of United States farm workers in occupations in which H–2A workers are employed from falling below the wage levels that would have prevailed in the absence of the employment of H–2A workers in those occupations;

''(iii) whether alternative wage standards, such as a prevailing wage standard, would be sufficient to prevent wages in occupations in which H–2A workers are employed from falling below the wage level that would have prevailed in the absence of H–2A employment;

''(iv) whether any changes are warranted in the current methodologies for calculating the adverse effect wage rate and the prevailing wage; and

''(v) recommendations for future wage protection under this section.

''(H) COMMISSION ON WAGE STANDARDS.—

''(i) ESTABLISHMENT.—There is established the Commission on Agricultural Wage Standards under the H–2A program (in this subparagraph referred to as the 'Commission').

''(ii) COMPOSITION.—The Commission shall consist of 10 members as follows:

''(I) Four representatives of agricultural employers and 1 representative of the Department of Agriculture, each appointed by the Secretary of Agriculture.

''(II) Four representatives of agricultural workers and 1 representative of the Department of Labor, each appointed by the Secretary of Labor.

''(iii) FUNCTIONS.—The Commission shall conduct a study that shall address—

''(I) whether the employment of H–2A or unauthorized aliens in the United States agricultural workforce has depressed United States farm worker wages below the levels that would otherwise have prevailed if alien farm workers had not been employed in the United States;

''(II) whether an adverse effect wage rate is necessary to prevent wages of United States farm workers in occupations in which H–2A workers are employed from falling below the wage levels that would have prevailed in the absence of the employment of H–2A workers in those occupations;

''(III) whether alternative wage standards, such as a prevailing wage standard, would be sufficient to prevent wages in occupations in which H–2A workers are employed from falling below the wage level that would have prevailed in the absence of H–2A employment;

''(IV) whether any changes are warranted in the current methodologies for calculating the adverse effect wage rate and the prevailing wage rate; and

''(V) recommendations for future wage protection under this section.

''(iv) FINAL REPORT.—Not later than December 31, 2009, the Commission shall submit a report to the Congress setting forth the findings of the study conducted under clause (iii).

''(v) TERMINATION DATE.—The Commission shall terminate upon submitting its final report.

''(4) GUARANTEE OF EMPLOYMENT.—

''(A) OFFER TO WORKER.—The employer shall guarantee to offer the worker employment for the hourly equivalent of at least ¾ of the work days of the total period of employment, beginning with the first work day after the arrival of the worker at the place of employment and ending on the expiration date specified in the job offer. For purposes of this subparagraph, the hourly equivalent means the number of hours in the work days as stated in the job offer and shall exclude the worker's Sabbath and Federal holidays. If the employer affords the United States or H–2A worker less employment than that required under this paragraph, the employer shall pay such worker the amount which the worker would have earned had the worker, in fact, worked for the guaranteed number of hours.

''(B) FAILURE TO WORK.—Any hours which the worker fails to work, up to a maximum of the number of hours specified in the job offer for a work day, when the worker has been offered an opportunity to do so, and all hours of work actually performed (including voluntary work in excess of the number of hours specified in the job offer in a work day, on the worker's Sabbath, or on Federal holidays) may be counted by the employer in calculating whether the period of guaranteed employment has been met.

''(C) ABANDONMENT OF EMPLOYMENT, TERMINATION FOR CAUSE.—If the worker voluntarily abandons employment before the end of the contract period, or is terminated for cause, the worker is not entitled to the '¾ guarantee' described in subparagraph (A).

''(D) CONTRACT IMPOSSIBILITY.—If, before the expiration of the period of employment specified in the job offer, the services of the worker are no longer required for reasons beyond the control of the employer due to any form of natural disaster, including a flood, hurricane, freeze, earthquake, fire, drought, plant or animal disease or pest infestation, or regulatory drought, before the guarantee in subparagraph (A) is fulfilled, the employer may terminate the worker's employment. In the event of such termination, the employer shall fulfill the employment guarantee in subparagraph (A) for the work days that have elapsed from the first work day after the arrival of the worker to the termination of employment. In such cases, the employer will make efforts to transfer the United States worker to other comparable employment acceptable to the worker. If such transfer is not effected, the employer shall provide the return transportation required in paragraph (2)(D).

''(5) MOTOR VEHICLE SAFETY.—

''(A) MODE OF TRANSPORTATION SUBJECT TO COVERAGE.—

''(i) IN GENERAL.—Except as provided in clauses (iii) and (iv), this subsection applies to any H–2A employer that uses or causes to be used any vehicle to transport an H–2A worker within the United States.

''(ii) DEFINED TERM.—In this paragraph, the term 'uses or causes to be used'—

''(I) applies only to transportation provided by an H–2A employer to an H–2A worker, or by a farm labor contractor to an H–2A worker at the request or direction of an H–2A employer; and

''(II) does not apply to—

''(aa) transportation provided, or transportation arrangements made, by an H–2A worker, unless the employer specifically requested or arranged such transportation; or

''(bb) car pooling arrangements made by H–2A workers themselves, using 1 of the workers' own vehicles, unless specifically requested by the employer directly or through a farm labor contractor.

''(iii) CLARIFICATION.—Providing a job offer to an H–2A worker that causes the worker to travel to or from the place of employment, or the payment or reimbursement of the transportation costs of an H–2A worker by an H–2A employer, shall not constitute an arrangement of, or participation in, such transportation.

''(iv) AGRICULTURAL MACHINERY AND EQUIPMENT EXCLUDED.—This subsection does not apply to the transportation of an H–2A worker on a tractor, combine, harvester, picker, or other similar machinery or equipment while such worker is actually engaged in the planting, cultivating, or harvesting of agricultural commodities or the care of livestock or poultry or engaged in transportation incidental thereto.

''(v) COMMON CARRIERS EXCLUDED.—This subsection does not apply to common carrier motor vehicle transportation in which the provider holds itself out to the general public as engaging in the transportation of passengers for hire and holds a valid certification of authorization for such purposes from an appropriate Federal, State, or local agency.

''(B) APPLICABILITY OF STANDARDS, LICENSING, AND INSURANCE REQUIREMENTS.—

''(i) IN GENERAL.—When using, or causing to be used, any vehicle for the purpose of providing transportation to which this subparagraph applies, each employer shall—

''(I) ensure that each such vehicle conforms to the standards prescribed by the Secretary of Labor under section 401(b) of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1841(b)) and other applicable Federal and State safety standards;

''(II) ensure that each driver has a valid and appropriate license, as provided by State law, to operate the vehicle; and

''(III) have an insurance policy or a liability bond that is in effect which insures the employer against liability for damage to persons or property arising from the ownership, operation, or causing to be operated, of any vehicle used to transport any H–2A worker.

''(ii) AMOUNT OF INSURANCE REQUIRED.—The level of insurance required shall be determined by the Secretary of Labor pursuant to regulations to be issued under this subsection.

''(iii) EFFECT OF WORKERS' COMPENSATION COVERAGE.—If the employer of any H–2A worker provides workers' compensation coverage for such worker in the case of bodily injury or death as provided by State law, the following adjustments in the requirements of subparagraph (B)(i)(III) relating to having an insurance policy or liability bond apply:

''(I) No insurance policy or liability bond shall be required of the employer, if such workers are transported only under circumstances for which there is coverage under such State law.

''(II) An insurance policy or liability bond shall be required of the employer for circumstances under which coverage for the transportation of such workers is not provided under such State law.

''(c) COMPLIANCE WITH LABOR LAWS.—An employer shall assure that, except as otherwise provided in this section, the employer will comply with all applicable Federal, State, and local labor laws, including laws affecting migrant and seasonal agricultural workers, with respect to all United States workers and alien workers employed by the employer, except that a violation of this assurance shall not constitute a violation of the Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801 et seq.).

''(d) COPY OF JOB OFFER.—The employer shall provide to the worker, not later than the day the work commences, a copy of the employer's application and job offer described in section 218(a), or, if the employer will require the worker to enter into a separate employment contract covering the employment in question, such separate employment contract.

''(e) RANGE PRODUCTION OF LIVESTOCK.—Nothing in this section, section 218, or section 218B shall preclude the Secretary of Labor and the Secretary from continuing to apply special procedures and requirements to the admission and employment of aliens in occupations involving the range production of livestock.

''SEC. 218B. PROCEDURE FOR ADMISSION AND EXTENSION OF STAY OF H–2A WORKERS.

''(a) PETITIONING FOR ADMISSION.—An employer, or an association acting as an agent or joint employer for its members, that seeks the admission into the United States of an H–2A worker may file a petition with the Secretary. The petition shall be accompanied by an accepted and currently valid certification provided by the Secretary of Labor under section 218(e)(2)(B) covering the petitioner.

''(b) EXPEDITED ADJUDICATION BY THE SECRETARY.—The Secretary shall establish a procedure for expedited adjudication of petitions filed under subsection (a) and within 7 working days shall, by fax, cable, or other means assuring expedited delivery, transmit a copy of notice of action on the petition to the petitioner and, in the case of approved petitions, to the appropriate immigration officer at the port of entry or United States consulate (as the case may be) where the petitioner has indicated that the alien beneficiary (or beneficiaries) will apply for a visa or admission to the United States.

''(c) CRITERIA FOR ADMISSIBILITY.—

''(1) IN GENERAL.—An H–2A worker shall be considered admissible to the United States if the alien is otherwise admissible under this section, section 218, and section 218A, and the alien is not ineligible under paragraph (2).

''(2) DISQUALIFICATION.—An alien shall be considered inadmissible to the United States and ineligible for nonimmigrant status under section 101(a)(15)(H)(ii)(a) if the alien has, at any time during the past 5 years—

''(A) violated a material provision of this section, including the requirement to promptly depart the United States when the alien's authorized period of admission under this section has expired; or

''(B) otherwise violated a term or condition of admission into the United States as a nonimmigrant, including overstaying the period of authorized admission as such a nonimmigrant.

''(3) WAIVER OF INELIGIBILITY FOR UNLAWFUL PRESENCE.—

''(A) IN GENERAL.—An alien who has not previously been admitted into the United States pursuant to this section, and who is otherwise eligible for admission in accordance with paragraphs (1) and (2), shall not be deemed inadmissible by virtue of section 212(a)(9)(B). If an alien described in the preceding sentence is present in the United States, the alien may apply from abroad for H–2A status, but may not be granted that status in the United States.

''(B) MAINTENANCE OF WAIVER.—An alien provided an initial waiver of ineligibility pursuant to subparagraph (A) shall remain eligible for such waiver unless the alien violates the terms of this section or again becomes ineligible under section 212(a)(9)(B) by virtue of unlawful presence in the United States after the date of the initial waiver of ineligibility pursuant to subparagraph (A).

''(d) PERIOD OF ADMISSION.—

''(1) IN GENERAL.—The alien shall be admitted for the period of employment in the application certified by the Secretary of Labor pursuant to section 218(e)(2)(B), not to exceed 10 months, supplemented by a period of not more than 1 week before the beginning of the period of employment for the purpose of travel to the worksite and a period of 14 days following the period of employment for the purpose of departure or extension based on a subsequent offer of employment, except that—

''(A) the alien is not authorized to be employed during such 14-day period except in the employment for which the alien was previously authorized; and

''(B) the total period of employment, including such 14-day period, may not exceed 10 months.

''(2) CONSTRUCTION.—Nothing in this subsection shall limit the authority of the Secretary to extend the stay of the alien under any other provision of this Act.

''(e) ABANDONMENT OF EMPLOYMENT.—

''(1) IN GENERAL.—An alien admitted or provided status under section 101(a)(15)(H)(ii)(a) who abandons the employment which was the basis for such admission or status shall be considered to have failed to maintain nonimmigrant status as an H–2A worker and shall depart the United States or be subject to removal under section 237(a)(1)(C)(i).

''(2) REPORT BY EMPLOYER.—The employer, or association acting as agent for the employer, shall notify the Secretary not later than 7 days after an H–2A worker prematurely abandons employment.

''(3) REMOVAL BY THE SECRETARY.—The Secretary shall promptly remove from the United States any H–2A worker who violates any term or condition of the worker's nonimmigrant status.

''(4) VOLUNTARY TERMINATION.—Notwithstanding paragraph (1), an alien may voluntarily terminate his or her employment if the alien promptly departs the United States upon termination of such employment.

''(f) REPLACEMENT OF ALIEN.—

''(1) IN GENERAL.—Upon presentation of the notice to the Secretary required by subsection (e)(2), the Secretary of State shall promptly issue a visa to, and the Secretary shall admit into the United States, an eligible alien designated by the employer to replace an H–2A worker—

''(A) who abandons or prematurely terminates employment; or

''(B) whose employment is terminated after a United States worker is employed pursuant to section 218(b)(2)(H)(iii), if the United States worker voluntarily departs before the end of the period of intended employment or if the employment termination is for a lawful job-related reason.

''(2) CONSTRUCTION.—Nothing in this subsection is intended to limit any preference required to be accorded United States workers under any other provision of this Act.

''(g) IDENTIFICATION DOCUMENT.—

''(1) IN GENERAL.—Each alien authorized to be admitted under section 101(a)(15)(H)(ii)(a) shall be provided an identification and employment eligibility document to verify eligibility for employment in the United States and verify the alien's identity.

''(2) REQUIREMENTS.—No identification and employment eligibility document may be issued which does not meet the following requirements:

''(A) The document shall be capable of reliably determining whether—

''(i) the individual with the identification and employment eligibility document whose eligibility is being verified is in fact eligible for employment;

''(ii) the individual whose eligibility is being verified is claiming the identity of another person; and

''(iii) the individual whose eligibility is being verified is authorized to be admitted into, and employed in, the United States as an H–2A worker.

''(B) The document shall be in a form that is resistant to counterfeiting and to tampering.

''(C) The document shall—

''(i) be compatible with other databases of the Secretary for the purpose of excluding aliens from benefits for which they are not eligible and determining whether the alien is unlawfully present in the United States; and

''(ii) be compatible with law enforcement databases to determine if the alien has been convicted of criminal offenses.

''(h) EXTENSION OF STAY OF H–2A ALIENS IN THE UNITED STATES.—

''(1) EXTENSION OF STAY.—If an employer seeks approval to employ an H–2A alien who is lawfully present in the United States, the petition filed by the employer or an association pursuant to subsection (a), shall request an extension of the alien's stay and a change in the alien's employment.

''(2) LIMITATION ON FILING A PETITION FOR EXTENSION OF STAY.—A petition may not be filed for an extension of an alien's stay—

''(A) for a period of more than 10 months; or

''(B) to a date that is more than 3 years after the date of the alien's last admission to the United States under this section.

''(3) WORK AUTHORIZATION UPON FILING A PETITION FOR EXTENSION OF STAY.—

''(A) IN GENERAL.—An alien who is lawfully present in the United States may commence the employment described in a petition under paragraph (1) on the date on which the petition is filed.

''(B) DEFINITION.—For purposes of subparagraph (A), the term 'file' means sending the petition by certified mail via the United States Postal Service, return receipt requested, or delivered by guaranteed commercial delivery which will provide the employer with a documented acknowledgment of the date of receipt of the petition.

''(C) HANDLING OF PETITION.—The employer shall provide a copy of the employer's petition to the alien, who shall keep the petition

with the alien's identification and employment eligibility document as evidence that the petition has been filed and that the alien is authorized to work in the United States.

''(D) APPROVAL OF PETITION.—Upon approval of a petition for an extension of stay or change in the alien's authorized employment, the Secretary shall provide a new or updated employment eligibility document to the alien indicating the new validity date, after which the alien is not required to retain a copy of the petition.

''(4) LIMITATION ON EMPLOYMENT AUTHORIZATION OF ALIENS WITHOUT VALID IDENTIFICATION AND EMPLOYMENT ELIGIBILITY DOCUMENT.—An expired identification and employment eligibility document, together with a copy of a petition for extension of stay or change in the alien's authorized employment that complies with the requirements of paragraph (1), shall constitute a valid work authorization document for a period of not more than 60 days beginning on the date on which such petition is filed, after which time only a currently valid identification and employment eligibility document shall be acceptable.

''(5) LIMITATION ON AN INDIVIDUAL'S STAY IN STATUS.—

''(A) MAXIMUM PERIOD.—The maximum continuous period of authorized status as an H–2A worker (including any extensions) is 3 years.

''(B) REQUIREMENT TO REMAIN OUTSIDE THE UNITED STATES.—

''(i) IN GENERAL.—Subject to clause (ii), in the case of an alien outside the United States whose period of authorized status as an H–2A worker (including any extensions) has expired, the alien may not again apply for admission to the United States as an H–2A worker unless the alien has remained outside the United States for a continuous period equal to at least ⅕ the duration of the alien's previous period of authorized status as an H–2A worker (including any extensions).

''(ii) EXCEPTION.—Clause (i) shall not apply in the case of an alien if the alien's period of authorized status as an H–2A worker (including any extensions) was for a period of not more than 10 months and such alien has been outside the United States for at least 2 months during the 12 months preceding the date the alien again is applying for admission to the United States as an H–2A worker.

''(i) SPECIAL RULES FOR ALIENS EMPLOYED AS SHEEPHERDERS, GOAT HERDERS, OR DAIRY WORKERS.—Notwithstanding any provision of the Agricultural Job Opportunities, Benefits, and Security Act of 2007, an alien admitted under section 101(a)(15)(H)(ii)(a) for employment as a sheepherder, goat herder, or dairy worker—

''(1) may be admitted for an initial period of 12 months;

''(2) subject to subsection (j)(5), may have such initial period of admission extended for a period of up to 3 years; and

''(3) shall not be subject to the requirements of subsection (h)(5) (relating to periods of absence from the United States).

''(j) ADJUSTMENT TO LAWFUL PERMANENT RESIDENT STATUS FOR ALIENS EMPLOYED AS SHEEPHERDERS, GOAT HERDERS, OR DAIRY WORKERS.—

''(1) ELIGIBLE ALIEN.—For purposes of this subsection, the term 'eligible alien' means an alien—

''(A) having nonimmigrant status under section 101(a)(15)(H)(ii)(a) based on employment as a sheepherder, goat herder, or dairy worker;

''(B) who has maintained such nonimmigrant status in the United States for a cumulative total of 36 months (excluding any period of absence from the United States); and

''(C) who is seeking to receive an immigrant visa under section 203(b)(3)(A)(iii).

''(2) CLASSIFICATION PETITION.—In the case of an eligible alien, the petition under section 204 for classification under section 203(b)(3)(A)(iii) may be filed by—

''(A) the alien's employer on behalf of the eligible alien; or

''(B) the eligible alien.

''(3) NO LABOR CERTIFICATION REQUIRED.—Notwithstanding section 203(b)(3)(C), no determination under section 212(a)(5)(A) is required with respect to an immigrant visa described in paragraph (1)(C) for an eligible alien.

''(4) EFFECT OF PETITION.—The filing of a petition described in paragraph (2) or an application for adjustment of status based on the approval of such a petition shall not constitute evidence of an alien's ineligibility for nonimmigrant status under section 101(a)(15)(H)(ii)(a).

''(5) EXTENSION OF STAY.—The Secretary shall extend the stay of an eligible alien having a pending or approved classification petition described in paragraph (2) in 1-year increments until a final determination is made on the alien's eligibility for adjustment of status to that of an alien lawfully admitted for permanent residence.

''(6) CONSTRUCTION.—Nothing in this subsection shall be construed to prevent an eligible alien from seeking adjustment of status in accordance with any other provision of law.

''SEC. 218C. WORKER PROTECTIONS AND LABOR STANDARDS ENFORCEMENT.

''(a) ENFORCEMENT AUTHORITY.—

''(1) INVESTIGATION OF COMPLAINTS.—

''(A) AGGRIEVED PERSON OR THIRD-PARTY COMPLAINTS.—The Secretary of Labor shall establish a process for the receipt, investigation, and disposition of complaints respecting a petitioner's failure to meet a condition specified in section 218(b), or an employer's misrepresentation of material facts in an application under section 218(a). Complaints may be filed by any aggrieved person or organization (including bargaining representatives). No investigation or hearing shall be conducted on a complaint concerning such a failure or misrepresentation unless the complaint was filed not later than 12 months after the date of the failure, or misrepresentation, respectively. The Secretary of Labor shall conduct an investigation under this subparagraph if there is reasonable cause to believe that such a failure or misrepresentation has occurred.

''(B) DETERMINATION ON COMPLAINT.—Under such process, the Secretary of Labor shall provide, within 30 days after the date such a complaint is filed, for a determination as to whether or not a reasonable basis exists to make a finding described in subparagraph (C), (D), (E), or (G). If the Secretary of Labor determines that such a reasonable basis exists, the Secretary of Labor shall provide for notice of such determination to the interested parties and an opportunity for a hearing on the complaint, in accordance with section 556 of title 5, United States Code, within 60 days after the date of the determination. If such a hearing is requested, the Secretary of Labor shall make a finding concerning the matter not later than 60 days after the date of the hearing. In the case of similar complaints respecting the same applicant, the Secretary of Labor may consolidate the hearings under this subparagraph on such complaints.

''(C) FAILURES TO MEET CONDITIONS.—If the Secretary of Labor finds, after notice and opportunity for a hearing, a failure to meet a condition of paragraph (1)(A), (1)(B), (1)(D), (1)(F), (2)(A), (2)(B), or (2)(G) of section 218(b), a substantial failure to meet a condition of paragraph (1)(C), (1)(E), (2)(C), (2)(D), (2)(E), or (2)(H) of section 218(b), or a material misrepresentation of fact in an application under section 218(a)—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $1,000 per violation) as the Secretary of Labor determines to be appropriate; and

''(ii) the Secretary may disqualify the employer from the employment of aliens described in section 101(a)(15)(H)(ii)(a) for a period of 1 year.

''(D) WILLFUL FAILURES AND WILLFUL MISREPRESENTATIONS.—If the Secretary of Labor finds, after notice and opportunity for hearing, a willful failure to meet a condition of section 218(b), a willful misrepresentation of a material fact in an application under section 218(a), or a violation of subsection (d)(1)—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $5,000 per violation) as the Secretary of Labor determines to be appropriate;

''(ii) the Secretary of Labor may seek appropriate legal or equitable relief to effectuate the purposes of subsection (d)(1); and

''(iii) the Secretary may disqualify the employer from the employment of H–2A workers for a period of 2 years.

''(E) DISPLACEMENT OF UNITED STATES WORKERS.—If the Secretary of Labor finds, after notice and opportunity for hearing, a willful failure to meet a condition of section 218(b) or a willful misrepresentation of a material fact in an application under section 218(a), in the course of which failure or misrepresentation the employer displaced a United States worker employed by the employer during the period of employment on the employer's application under section 218(a) or during the period of 30 days preceding such period of employment—

''(i) the Secretary of Labor shall notify the Secretary of such finding and may, in addition, impose such other administrative remedies (including civil money penalties in an amount not to exceed $15,000 per violation) as the Secretary of Labor determines to be appropriate; and

''(ii) the Secretary may disqualify the employer from the employment of H–2A workers for a period of 3 years.

''(F) LIMITATIONS ON CIVIL MONEY PENALTIES.—The Secretary of Labor shall not impose total civil money penalties with respect to an application under section 218(a) in excess of $90,000.

''(G) FAILURES TO PAY WAGES OR REQUIRED BENEFITS.—If the Secretary of Labor finds, after notice and opportunity for a hearing, that the employer has failed to pay the wages, or provide the housing allowance, transportation, subsistence reimbursement, or guarantee of employment, required under section 218A(b), the Secretary of Labor shall assess payment of back wages, or other required benefits, due any United States worker or H–2A worker employed by the employer in the specific employment in question. The back wages or other required benefits under section 218A(b) shall be equal to the difference between the amount that should have been paid and the amount that actually was paid to such worker.

''(2) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed as limiting the authority of the Secretary of Labor to conduct any compliance investigation under any other labor law, including any law affecting migrant and seasonal agricultural workers, or, in the absence of a complaint under this section, under section 218 or 218A.

''(b) RIGHTS ENFORCEABLE BY PRIVATE RIGHT OF ACTION.—H–2A workers may enforce the following rights through the private right of action provided in subsection (c), and no other right of action shall exist under Federal or State law to enforce such rights:

''(1) The providing of housing or a housing allowance as required under section 218A(b)(1).

''(2) The reimbursement of transportation as required under section 218A(b)(2).

''(3) The payment of wages required under section 218A(b)(3) when due.

''(4) The benefits and material terms and conditions of employment expressly provided in the job offer described in section 218(a)(2), not including the assurance to comply with other Federal, State, and local labor laws described in section 218A(c), compliance with which shall be governed by the provisions of such laws.

''(5) The guarantee of employment required under section 218A(b)(4).

''(6) The motor vehicle safety requirements under section 218A(b)(5).

''(7) The prohibition of discrimination under subsection (d)(2).

''(c) PRIVATE RIGHT OF ACTION.—

''(1) MEDIATION.—Upon the filing of a complaint by an H–2A worker aggrieved by a violation of rights enforceable under subsection (b), and within 60 days of the filing of proof of service of the complaint, a party to the action may file a request with the Federal Mediation and Conciliation Service to assist the parties in reaching a satisfactory resolution of all issues involving all parties to the dispute. Upon a filing of such request and giving of notice to the parties, the parties shall attempt mediation within the period specified in subparagraph (B).

''(A) MEDIATION SERVICES.—The Federal Mediation and Conciliation Service shall be available to assist in resolving disputes arising under subsection (b) between H–2A workers and agricultural employers without charge to the parties.

''(B) 90-DAY LIMIT.—The Federal Mediation and Conciliation Service may conduct mediation or other nonbinding dispute resolution activities for a period not to exceed 90 days beginning on the date on which the Federal Mediation and Conciliation Service receives the request for assistance unless the parties agree to an extension of this period of time.

''(C) AUTHORIZATION.—

''(i) IN GENERAL.—Subject to clause (ii), there are authorized to be appropriated to the Federal Mediation and Conciliation Service $500,000 for each fiscal year to carry out this section.

''(ii) MEDIATION.—Notwithstanding any other provision of law, the Director of the Federal Mediation and Conciliation Service is authorized to conduct the mediation or other dispute resolution activities from any other appropriated funds available to the Director and to reimburse such appropriated funds when the funds are appropriated pursuant to this authorization, such reimbursement to be credited to appropriations currently available at the time of receipt.

''(2) MAINTENANCE OF CIVIL ACTION IN DISTRICT COURT BY AGGRIEVED PERSON.—An H–2A worker aggrieved by a violation of rights enforceable under subsection (b) by an agricultural employer or other person may file suit in any district court of the United States having jurisdiction over the parties, without regard to the amount in controversy, without regard to the citizenship of the parties, and without regard to the exhaustion of any alternative administrative remedies under this Act, not later than 3 years after the date the violation occurs.

''(3) ELECTION.—An H–2A worker who has filed an administrative complaint with the Secretary of Labor may not maintain a civil action under paragraph (2) unless a complaint based on the same violation filed with the Secretary of Labor under subsection (a)(1) is withdrawn before the filing of such action, in which case the rights and remedies available under this subsection shall be exclusive.

''(4) PREEMPTION OF STATE CONTRACT RIGHTS.—Nothing in this Act shall be construed to diminish the rights and remedies of an H–2A worker under any other Federal or State law or regulation or under any collective bargaining agreement, except that no court or administrative action shall be available under any State contract law to enforce the rights created by this Act.

''(5) WAIVER OF RIGHTS PROHIBITED.—Agreements by employees purporting to waive or modify their rights under this Act shall be void as contrary to public policy, except that a waiver or modification of the rights or obligations in favor of the Secretary of Labor shall be valid for purposes of the enforcement of this Act. The preceding sentence may not be construed to prohibit agreements to settle private disputes or litigation.

''(6) AWARD OF DAMAGES OR OTHER EQUITABLE RELIEF.—

''(A) If the court finds that the respondent has intentionally violated any of the rights enforceable under subsection (b), it shall award actual damages, if any, or equitable relief.

''(B) Any civil action brought under this section shall be subject to appeal as provided in chapter 83 of title 28, United States Code.

''(7) WORKERS' COMPENSATION BENEFITS; EXCLUSIVE REMEDY.—

''(A) Notwithstanding any other provision of this section, where a State's workers' compensation law is applicable and coverage is provided for an H–2A worker, the workers' compensation benefits shall be the exclusive remedy for the loss of such worker under this section in the case of bodily injury or death in accordance with such State's workers' compensation law.

''(B) The exclusive remedy prescribed in subparagraph (A) precludes the recovery under paragraph (6) of actual damages for loss from an injury or death but does not preclude other equitable relief, except that such relief shall not include back or front pay or in any manner, directly or indirectly, expand or otherwise alter or affect—

''(i) a recovery under a State workers' compensation law; or

''(ii) rights conferred under a State workers' compensation law.

''(8) TOLLING OF STATUTE OF LIMITATIONS.—If it is determined under a State workers' compensation law that the workers' compensation law is not applicable to a claim for bodily injury or death of an H–2A worker, the statute of limitations for bringing an action for actual damages for such injury or death under subsection (c) shall be tolled for the period during which the claim for such injury or death under such State workers' compensation law was pending. The statute of limitations for an action for actual damages or other equitable relief arising out of the same transaction or occurrence as the injury or death of the H–2A worker shall be tolled for the period during which the claim for such injury or death was pending under the State workers' compensation law.

''(9) PRECLUSIVE EFFECT.—Any settlement by an H–2A worker and an H–2A employer or any person reached through the mediation process required under subsection (c)(1) shall preclude any right of action arising out of the same facts between the parties in any Federal or State court or administrative proceeding, unless specifically provided otherwise in the settlement agreement.

''(10) SETTLEMENTS.—Any settlement by the Secretary of Labor with an H–2A employer on behalf of an H–2A worker of a complaint filed with the Secretary of Labor under this section or any finding by the Secretary of Labor under subsection (a)(1)(B) shall preclude any right of action arising out of the same facts between the parties under any Federal or State court or administrative proceeding, unless specifically provided otherwise in the settlement agreement.

''(d) DISCRIMINATION PROHIBITED.—

''(1) IN GENERAL.—It is a violation of this subsection for any person who has filed an application under section 218(a), to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any other manner discriminate against an employee (which term, for purposes of this subsection, includes a former employee and an applicant for employment) because the employee has disclosed information to the employer, or to any other person, that the employee reasonably believes evidences a violation of section 218 or 218A or any rule or regulation pertaining to section 218 or 218A, or because the employee cooperates or seeks to cooperate in an investigation or other proceeding concerning the employer's compliance with the requirements of section 218 or 218A or any rule or regulation pertaining to either of such sections.

''(2) DISCRIMINATION AGAINST H–2A WORKERS.—It is a violation of this subsection for any person who has filed an application under section 218(a), to intimidate, threaten, restrain, coerce, blacklist, discharge, or in any manner discriminate against an H–2A employee because such worker has, with just cause, filed a complaint with the Secretary of Labor regarding a denial of the rights enumerated and enforceable under subsection (b) or instituted, or caused to be instituted, a private right of action under subsection (c) regarding the denial of the rights enumerated under subsection (b), or has testified or is about to testify in any court proceeding brought under subsection (c).

''(e) AUTHORIZATION TO SEEK OTHER APPROPRIATE EMPLOYMENT.—The Secretary of Labor and the Secretary shall establish a process under which an H–2A worker who files a complaint regarding a violation of subsection (d) and is otherwise eligible to remain and work in the United States may be allowed to seek other appropriate employment in the United States for a period not to exceed the maximum period of stay authorized for such nonimmigrant classification.

''(f) ROLE OF ASSOCIATIONS.—

''(1) VIOLATION BY A MEMBER OF AN ASSOCIATION.—An employer on whose behalf an application is filed by an association acting as its agent is fully responsible for such application, and for complying with the terms and conditions of sections 218 and 218A, as though the employer had filed the application itself. If such an employer is determined, under this section, to have committed a violation, the penalty for such violation shall apply only to that member of the association unless the Secretary of Labor determines that the association or other member participated in, had knowledge, or reason to know, of the violation, in which case the penalty shall be invoked against the association or other association member as well.

''(2) VIOLATIONS BY AN ASSOCIATION ACTING AS AN EMPLOYER.—If an association filing an application as a sole or joint employer is determined to have committed a violation under this section, the penalty for such violation shall apply only to the association unless the Secretary of Labor determines that an association member or members participated in or had knowledge, or reason to

know of the violation, in which case the penalty shall be invoked against the association member or members as well.

"SEC. 218D. DEFINITIONS.

''For purposes of this section and section 218, 218A, 218B, and 218C:

''(1) AGRICULTURAL EMPLOYMENT.—The term 'agricultural employment' means any service or activity that is considered to be agricultural under section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(f)) or agricultural labor under section 3121(g) of the Internal Revenue Code of 1986 or the performance of agricultural labor or services described in section 101(a)(15)(H)(ii)(a).

''(2) BONA FIDE UNION.—The term 'bona fide union' means any organization in which employees participate and which exists for the purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or other terms and conditions of work for agricultural employees. Such term does not include an organization formed, created, administered, supported, dominated, financed, or controlled by an employer or employer association or its agents or representatives.

''(3) DISPLACE.—The term 'displace', in the case of an application with respect to 1 or more H–2A workers by an employer, means laying off a United States worker from a job for which the H–2A worker or workers is or are sought.

''(4) ELIGIBLE.—The term 'eligible', when used with respect to an individual, means an individual who is not an unauthorized alien (as defined in section 274A).

''(5) EMPLOYER.—The term 'employer' means any person or entity, including any farm labor contractor and any agricultural association, that employs workers in agricultural employment.

''(6) H–2A EMPLOYER.—The term 'H–2A employer' means an employer who seeks to hire 1 or more nonimmigrant aliens described in section 101(a)(15)(H)(ii)(a).

''(7) H–2A WORKER.—The term 'H–2A worker' means a nonimmigrant described in section 101(a)(15)(H)(ii)(a).

''(8) JOB OPPORTUNITY.—The term 'job opportunity' means a job opening for temporary or seasonal full-time employment at a place in the United States to which United States workers can be referred.

''(9) LAYING OFF.—

''(A) IN GENERAL.—The term 'laying off', with respect to a worker—

''(i) means to cause the worker's loss of employment, other than through a discharge for inadequate performance, violation of workplace rules, cause, voluntary departure, voluntary retirement, contract impossibility (as described in section 218A(b)(4)(D)), or temporary suspension of employment due to weather, markets, or other temporary conditions; but

''(ii) does not include any situation in which the worker is offered, as an alternative to such loss of employment, a similar employment opportunity with the same employer (or, in the case of a placement of a worker with another employer under section 218(b)(2)(E), with either employer described in such section) at equivalent or higher compensation and benefits than the position from which the employee was discharged, regardless of whether or not the employee accepts the offer.

''(B) STATUTORY CONSTRUCTION.—Nothing in this paragraph is intended to limit an employee's rights under a collective bargaining agreement or other employment contract.

''(10) REGULATORY DROUGHT.—The term 'regulatory drought' means a decision subsequent to the filing of the application under section 218 by an entity not under the control of the employer making such filing which restricts the employer's access to water for irrigation purposes and reduces or limits the employer's ability to produce an agricultural commodity, thereby reducing the need for labor.

''(11) SEASONAL.—Labor is performed on a 'seasonal' basis if—

''(A) ordinarily, it pertains to or is of the kind exclusively performed at certain seasons or periods of the year; and

''(B) from its nature, it may not be continuous or carried on throughout the year.

''(12) SECRETARY.—Except as otherwise provided, the term 'Secretary' means the Secretary of Homeland Security.

''(13) TEMPORARY.—A worker is employed on a 'temporary' basis where the employment is intended not to exceed 10 months.

''(14) UNITED STATES WORKER.—The term 'United States worker' means any worker, whether a national of the United States, an alien lawfully admitted for permanent residence, or any other alien, who is authorized to work in the job opportunity within the United States, except an alien admitted or otherwise provided status under section 101(a)(15)(H)(ii)(a).''.

(b) TABLE OF CONTENTS.—The table of contents of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by striking the item relating to section 218 and inserting the following:

''Sec. 218. H–2A employer applications.
''Sec. 218A. H–2A employment requirements.
''Sec. 218B. Procedure for admission and extension of stay of H–2A workers.
''Sec. 218C. Worker protections and labor standards enforcement.
''Sec. 218D. Definitions.''.

Subtitle C—Miscellaneous Provisions

SEC. 241. DETERMINATION AND USE OF USER FEES.

(a) SCHEDULE OF FEES.—The Secretary shall establish and periodically adjust a schedule of fees for the employment of aliens pursuant to the amendment made by section 231(a) of this Act and a collection process for such fees from employers. Such fees shall be the only fees chargeable to employers for services provided under such amendment.

(b) DETERMINATION OF SCHEDULE.—

(1) IN GENERAL.—The schedule under subsection (a) shall reflect a fee rate based on the number of job opportunities indicated in the employer's application under section 218 of the Immigration and Nationality Act, as amended by section 231 of this Act, and sufficient to provide for the direct costs of providing services related to an employer's authorization to employ aliens pursuant to the amendment made by section 231(a) of this Act, to include the certification of eligible employers, the issuance of documentation, and the admission of eligible aliens.

(2) PROCEDURE.—

(A) IN GENERAL.—In establishing and adjusting such a schedule, the Secretary shall comply with Federal cost accounting and fee setting standards.

(B) PUBLICATION AND COMMENT.—The Secretary shall publish in the Federal Register an initial fee schedule and associated collection process and the cost data or estimates upon which such fee schedule is based, and any subsequent amendments thereto, pursuant to which public comment shall be sought and a final rule issued.

(c) USE OF PROCEEDS.—Notwithstanding any other provision of law, all proceeds resulting from the payment of the fees pursuant to the amendment made by section 231(a) of this Act shall be available without further appropriation and shall remain available without fiscal year limitation to reimburse the Secretary, the Secretary of State, and the Secretary of Labor for the costs of carrying out sections 218 and 218B of the Immigration and Nationality Act, as amended and added, respectively, by section 231 of this Act, and the provisions of this title.

SEC. 242. REGULATIONS.

(a) REQUIREMENT FOR THE SECRETARY TO CONSULT.—The Secretary shall consult with the Secretary of Labor and the Secretary of Agriculture during the promulgation of all regulations to implement the duties of the Secretary under this title and the amendments made by this title.

(b) REQUIREMENT FOR THE SECRETARY OF STATE TO CONSULT.—The Secretary of State shall consult with the Secretary, the Secretary of Labor, and the Secretary of Agriculture on all regulations to implement the duties of the Secretary of State under this title and the amendments made by this title.

(c) REQUIREMENT FOR THE SECRETARY OF LABOR TO CONSULT.—The Secretary of Labor shall consult with the Secretary of Agriculture and the Secretary on all regulations to implement the duties of the Secretary of Labor under this title and the amendments made by this title.

(d) DEADLINE FOR ISSUANCE OF REGULATIONS.—All regulations to implement the duties of the Secretary, the Secretary of State, and the Secretary of Labor created under sections 218, 218A, 218B, 218C, and 218D of the Immigration and Nationality Act, as amended or added by section 231 of this Act, shall take effect on the effective date of section 231 and shall be issued not later than 1 year after the date of enactment of this Act.

SEC. 243. REPORTS TO CONGRESS.

(a) ANNUAL REPORT.—Not later than September 30 of each year, the Secretary shall submit a report to Congress that identifies, for the previous year—

(1) the number of job opportunities approved for employment of aliens admitted under section 101(a)(15)(H)(ii)(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)(a)), and the number of workers actually admitted, disaggregated by State and by occupation;

(2) the number of such aliens reported to have abandoned employment pursuant to subsection 218B(e)(2) of such Act;

(3) the number of such aliens who departed the United States within the period specified in subsection 218B(d) of such Act;

(4) the number of aliens who applied for adjustment of status pursuant to section 211(a);

(5) the number of such aliens whose status was adjusted under section 211(a);

(6) the number of aliens who applied for permanent residence pursuant to section 213(c); and

(7) the number of such aliens who were approved for permanent residence pursuant section 213(c).

(b) IMPLEMENTATION REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall prepare and submit to Congress a report that describes the measures being taken and the progress made in implementing this Act.

SEC. 244. EFFECTIVE DATE.

Except as otherwise provided, sections 231 and 241 shall take effect 1 year after the date of the enactment of this Act.

SA 169. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the end, add the following new section:

SEC. 4. SHARING OF SOCIAL SECURITY DATA FOR IMMIGRATION ENFORCEMENT PURPOSES.

(a) SOCIAL SECURITY ACCOUNT NUMBERS.—Section 264(f) of the Immigration and Nationality Act (8 U.S.C. 1304(f)) is amended to read as follows:

''(f) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986), the Secretary of Homeland Security, the Secretary of Labor, and the Attorney General are authorized to require any individual to provide his or her own social security account number for purposes of inclusion in any record of the individual maintained by either such Secretary or the Attorney General, or of inclusion in any application, document, or form provided under or required by the immigration laws.''.

(b) EXCHANGE OF INFORMATION.—Section 290(c) of the Immigration and Nationality Act (8 U.S.C. 1360(c)) is amended by striking paragraph (2) and inserting the following new paragraphs:

''(2)(A) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986) if earnings are reported on or after January 1, 1997, to the Social Security Administration on a social security account number issued to an alien not authorized to work in the United States, the Commissioner of Social Security shall provide the Secretary of Homeland Security with information regarding the name, date of birth, and address of the alien, the name and address of the person reporting the earnings, and the amount of the earnings.

''(B) The information described in subparagraph (A) shall be provided in an electronic form agreed upon by the Commissioner and the Secretary.

''(3)(A) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986), if a social security account number was used with multiple names, the Commissioner of Social Security shall provide the Secretary of Homeland Security with information regarding the name, date of birth, and address of each individual who used that social security account number, and the name and address of the person reporting the earnings for an individual who used that social security account number.

''(B) The information described in subparagraph (A) shall be provided in an electronic form agreed upon by the Commissioner and the Secretary for the sole purpose of enforcing the immigration laws.

''(C) The Secretary, in consultation with the Commissioner, may limit or modify the requirements of this paragraph, as appropriate, to identify the cases posing the highest possibility of fraudulent use of social security account numbers related to violation of the immigration laws.

''(4)(A) Notwithstanding any other provision of law (including section 6103 of the Internal Revenue Code of 1986), if more than one person reports earnings for an individual during a single tax year, the Commissioner of Social Security shall provide the Secretary of Homeland Security information regarding the name, date of birth, and address of the individual, and the name and address of the each person reporting earnings for that individual.

''(B) The information described in subparagraph (A) shall be provided in an electronic form agreed upon by the Commissioner and the Secretary for the sole purpose of enforcing the immigration laws.

''(C) The Secretary, in consultation with the Commissioner, may limit or modify the requirements of this paragraph, as appropriate, to identify the cases posing the highest possibility of fraudulent use of social security account numbers related to violation of the immigration laws.

''(5)(A) The Commissioner of Social Security shall perform, at the request to the Secretary of Homeland Security, any search or manipulation of records held by the Commissioner if the Secretary certifies that the purpose of the search or manipulation is to obtain information that is likely to assist in identifying individuals (and their employers) who are using false names or social security numbers, who are sharing a single valid name and social security number among multiple individuals, who are using the social security number of a person who is deceased, too young to work, or not authorized to work, or who are otherwise engaged in a violation of the immigration laws. The Commissioner shall provide the results of such search or manipulation to the Secretary, notwithstanding any other provision law (including section 6103 of the Internal Revenue Code of 1986).

''(B) The Secretary shall transfer to the Commissioner the funds necessary to cover the costs directly incurred by the Commissioner in carrying out each search or manipulation requested by the Secretary under subparagraph (A).''.

(c) FALSE CLAIMS OF CITIZENSHIP BY NATIONALS OF THE UNITED STATES.—Section 212(a)(6)(C)(ii)(I) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(6)(C)(ii)(I)) is amended by inserting ''or national'' after ''citizen''.

SA 170. Mr. GREGG (for himself, Mr. SUNUNU, and Mr. ISAKSON) submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. EMPLOYEE OPTION TIME.

(a) BIWEEKLY WORK PROGRAMS.—

(1) IN GENERAL.—The Fair Labor Standards Act of 1938 is amended by inserting after section 13 (29 U.S.C. 213) the following:

''SEC. 13A. BIWEEKLY WORK PROGRAMS.

''(a) VOLUNTARY PARTICIPATION.—

''(1) OPTION OF EMPLOYEE.—Except as provided in paragraph (2), no employee may be required to participate in a program described in this section. Participation in a program described in this section may not be a condition of employment.

''(2) COLLECTIVE BARGAINING AGREEMENT.—In a case in which a valid collective bargaining agreement exists between an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law, an employee may only be required to participate in such a program in accordance with the agreement.

''(b) BIWEEKLY WORK PROGRAMS.—

''(1) IN GENERAL.—Notwithstanding section 7, an employer may establish biweekly work programs that—

''(A) allow the use of a biweekly work schedule—

''(i) that consists of a basic work requirement of not more than 80 hours, over a 2-week period; and

''(ii) in which more than 40 hours of the work requirement may occur in a week of the period, except that no more than 10 hours may be shifted between the 2 weeks involved; and

''(B) provides that an employee participating in the program is compensated for overtime hours in accordance with paragraph (4).

''(2) CONDITIONS.—An employer may carry out a biweekly work program described in paragraph (1) for employees only pursuant to the following:

''(A) AGREEMENT.—The program may be carried out only in accordance with—

''(i) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the employees under applicable law; or

''(ii) in the case of an employee who is not represented by a labor organization described in clause (i), a written agreement arrived at between the employer and employee before the performance of the work involved if the agreement was entered into knowingly and voluntarily by such employee and was not a condition of employment.

''(B) STATEMENT OF VOLUNTARY PARTICIPATION.—The program shall apply to an employee described in subparagraph (A)(ii) if such employee has affirmed, in a written statement that is made, kept, and preserved in accordance with section 11(c), that the employee has voluntarily chosen to participate in the program.

''(C) MINIMUM SERVICE.—No employee may participate, or agree to participate, in the program unless the employee has been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period.

''(3) COMPENSATION FOR HOURS IN SCHEDULE.—Notwithstanding section 7, in the case of an employee participating in such a biweekly work program, the employee shall be compensated for each hour in such a biweekly work schedule at a rate not less than the regular rate at which the employee is employed.

''(4) OVERTIME COMPENSATION PROVISION.—An employee participating in such a biweekly work program shall be compensated for each overtime hour at a rate not less than one and one-half times the regular rate at which the employee is employed, in accordance with section 7(a)(1).

''(5) DISCONTINUANCE OF PROGRAM OR WITHDRAWAL.—

''(A) DISCONTINUANCE OF PROGRAM.—An employer that has established a biweekly work program under paragraph (1) may discontinue the program for employees described in paragraph (2)(A)(ii) after providing 30 days' written notice to the employees who are subject to an agreement described in paragraph (2)(A)(ii).

''(B) WITHDRAWAL.—An employee may withdraw an agreement described in paragraph (2)(A)(ii) at the end of any 2-week period described in paragraph (1)(A)(i), by submitting a written notice of withdrawal to the employer of the employee.

''(c) PROHIBITION OF COERCION.—

''(1) IN GENERAL.—An employer shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any employee for the purpose of interfering with the rights of the employee under this section to elect or not to elect to work a biweekly work schedule.

''(2) DEFINITION.—In paragraph (1), the term 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

''(d) DEFINITIONS.—In this section:

''(1) BASIC WORK REQUIREMENT.—The term 'basic work requirement' means the number of hours, excluding overtime hours, that an employee is required to work or is required to account for by leave or otherwise.

''(2) COLLECTIVE BARGAINING.—The term 'collective bargaining' means the performance of the mutual obligation of the representative of an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph shall not compel either party to agree to a proposal or to make a concession.

''(3) COLLECTIVE BARGAINING AGREEMENT.—The term 'collective bargaining agreement' means an agreement entered into as a result of collective bargaining.

''(4) EMPLOYEE.—The term 'employee' means an individual—

''(A) who is an employee (as defined in section 3);

''(B) who is not an employee of a public agency; and

''(C) to whom section 7(a) applies.

''(5) EMPLOYER.—The term 'employer' does not include a public agency.

''(6) OVERTIME HOURS.—The term 'overtime hours' when used with respect to biweekly work programs under subsection (b), means all hours worked in excess of the biweekly work schedule involved, in excess of the allotted 50 hours a week, or in excess of the allotted 80 hours in the 2-week period involved, that are requested in advance by an employer.

''(7) REGULAR RATE.—The term 'regular rate' has the meaning given the term in section 7(e).''.

(2) REMEDIES.—

(A) PROHIBITIONS.—Section 15(a)(3) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3)) is amended—

(i) by inserting ''(A)'' after ''(3)'';

(ii) by adding ''or'' after the semicolon; and

(iii) by adding at the end the following:

''(B) to violate any of the provisions of section 13A;''.

(B) REMEDIES AND SANCTIONS.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(i) in subsection (c)—

(I) in the first sentence—

(aa) by inserting after ''7 of this Act'' the following: '', or of the appropriate legal or monetary equitable relief owing to any employee or employees under section 13A''; and

(bb) by striking ''wages or unpaid overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and'';

(II) in the second sentence, by striking ''wages or overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and''; and

(III) in the third sentence—

(aa) by inserting after ''first sentence of such subsection'' the following: '', or the second sentence of such subsection in the event of a violation of section 13A,''; and

(bb) by striking ''wages or unpaid overtime compensation under sections 6 and 7 or'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, or''; and

(ii) in subsection (e)—

(I) in the second sentence, by striking ''section 6 or 7'' and inserting ''section 6, 7, or 13A''; and

(II) in the fourth sentence, in paragraph (3), by striking ''15(a)(4) or'' and inserting ''15(a)(4), a violation of section 15(a)(3)(B), or''.

(3) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this section, the Secretary of Labor shall revise the materials the Secretary provides, under regulations contained in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) to employees so that the notice reflects the amendments made to the Act by this section.

(b) CONGRESSIONAL COVERAGE.—Section 203 of the Congressional Accountability Act of 1995 (2 U.S.C. 1313) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''and section 12(c)'' and inserting ''section 12(c), and section 13A''; and

(B) by striking paragraph (3);

(2) in subsection (b)—

(A) by striking ''The remedy'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), the remedy''; and

(B) by adding at the end the following:

''(2) BIWEEKLY WORK PROGRAMS AND FLEXIBLE CREDIT HOURS PROGRAMS.—The remedy for a violation of subsection (a) relating to the requirements of section 13A of the Fair Labor Standards Act of 1938 shall be such remedy as would be appropriate if awarded under sections 16 and 17 of such Act (29 U.S.C. 216, 217) for such a violation.''; and

(3) in subsection (c), by striking paragraph (4).

(c) TERMINATION.—The authority provided by this section and the amendments made by this section terminates 5 years after the date of enactment of this section.

SA 171. Mr. GREGG (for himself, Mr. SUNUNU, and Mr. ISAKSON) submitted an amendment intended to be proposed to amendment SA 100 proposed by Mr. REID (for Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. EMPLOYEE OPTION TIME.

(a) BIWEEKLY WORK PROGRAMS.—

(1) IN GENERAL.—The Fair Labor Standards Act of 1938 is amended by inserting after section 13 (29 U.S.C. 213) the following:

''SEC. 13A. BIWEEKLY WORK PROGRAMS.

''(a) VOLUNTARY PARTICIPATION.—

''(1) OPTION OF EMPLOYEE.—Except as provided in paragraph (2), no employee may be required to participate in a program described in this section. Participation in a program described in this section may not be a condition of employment.

''(2) COLLECTIVE BARGAINING AGREEMENT.—In a case in which a valid collective bargaining agreement exists between an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law, an employee may only be required to participate in such a program in accordance with the agreement.

''(b) BIWEEKLY WORK PROGRAMS.—

''(1) IN GENERAL.—Notwithstanding section 7, an employer may establish biweekly work programs that—

''(A) allow the use of a biweekly work schedule—

''(i) that consists of a basic work requirement of not more than 80 hours, over a 2-week period; and

''(ii) in which more than 40 hours of the work requirement may occur in a week of the period, except that no more than 10 hours may be shifted between the 2 weeks involved; and

''(B) provides that an employee participating in the program is compensated for overtime hours in accordance with paragraph (4).

''(2) CONDITIONS.—An employer may carry out a biweekly work program described in paragraph (1) for employees only pursuant to the following:

''(A) AGREEMENT.—The program may be carried out only in accordance with—

''(i) applicable provisions of a collective bargaining agreement between the employer and the labor organization that has been certified or recognized as the representative of the employees under applicable law; or

''(ii) in the case of an employee who is not represented by a labor organization described in clause (i), a written agreement arrived at between the employer and employee before the performance of the work involved if the agreement was entered into knowingly and voluntarily by such employee and was not a condition of employment.

''(B) STATEMENT OF VOLUNTARY PARTICIPATION.—The program shall apply to an employee described in subparagraph (A)(ii) if such employee has affirmed, in a written statement that is made, kept, and preserved in accordance with section 11(c), that the employee has voluntarily chosen to participate in the program.

''(C) MINIMUM SERVICE.—No employee may participate, or agree to participate, in the program unless the employee has been employed for at least 12 months by the employer, and for at least 1,250 hours of service with the employer during the previous 12-month period.

''(3) COMPENSATION FOR HOURS IN SCHEDULE.—Notwithstanding section 7, in the case of an employee participating in such a biweekly work program, the employee shall be compensated for each hour in such a biweekly work schedule at a rate not less than the regular rate at which the employee is employed.

''(4) OVERTIME COMPENSATION PROVISION.—An employee participating in such a biweekly work program shall be compensated for each overtime hour at a rate not less than one and one-half times the regular rate at which the employee is employed, in accordance with section 7(a)(1).

''(5) DISCONTINUANCE OF PROGRAM OR WITHDRAWAL.—

''(A) DISCONTINUANCE OF PROGRAM.—An employer that has established a biweekly work program under paragraph (1) may discontinue the program for employees described in paragraph (2)(A)(ii) after providing 30 days' written notice to the employees who are subject to an agreement described in paragraph (2)(A)(ii).

''(B) WITHDRAWAL.—An employee may withdraw an agreement described in paragraph (2)(A)(ii) at the end of any 2-week period described in paragraph (1)(A)(i), by submitting a written notice of withdrawal to the employer of the employee.

''(c) PROHIBITION OF COERCION.—

''(1) IN GENERAL.—An employer shall not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any employee for the purpose of interfering with the rights of the employee under this section to elect or not to elect to work a biweekly work schedule.

''(2) DEFINITION.—In paragraph (1), the term 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation) or effecting or threatening to effect any reprisal (such as deprivation of appointment, promotion, or compensation).

''(d) DEFINITIONS.—In this section:

''(1) BASIC WORK REQUIREMENT.—The term 'basic work requirement' means the number of hours, excluding overtime hours, that an

employee is required to work or is required to account for by leave or otherwise.

''(2) COLLECTIVE BARGAINING.—The term 'collective bargaining' means the performance of the mutual obligation of the representative of an employer and the labor organization that has been certified or recognized as the representative of the employees of the employer under applicable law to meet at reasonable times and to consult and bargain in a good-faith effort to reach agreement with respect to the conditions of employment affecting such employees and to execute, if requested by either party, a written document incorporating any collective bargaining agreement reached, but the obligation referred to in this paragraph shall not compel either party to agree to a proposal or to make a concession.

''(3) COLLECTIVE BARGAINING AGREEMENT.—The term 'collective bargaining agreement' means an agreement entered into as a result of collective bargaining.

''(4) EMPLOYEE.—The term 'employee' means an individual—

''(A) who is an employee (as defined in section 3);

''(B) who is not an employee of a public agency; and

''(C) to whom section 7(a) applies.

''(5) EMPLOYER.—The term 'employer' does not include a public agency.

''(6) OVERTIME HOURS.—The term 'overtime hours' when used with respect to biweekly work programs under subsection (b), means all hours worked in excess of the biweekly work schedule involved, in excess of the allotted 50 hours a week, or in excess of the allotted 80 hours in the 2-week period involved, that are requested in advance by an employer.

''(7) REGULAR RATE.—The term 'regular rate' has the meaning given the term in section 7(e).''.

(2) REMEDIES.—

(A) PROHIBITIONS.—Section 15(a)(3) of the Fair Labor Standards Act of 1938 (29 U.S.C. 215(a)(3)) is amended—

(i) by inserting ''(A)'' after ''(3)'';

(ii) by adding ''or'' after the semicolon; and

(iii) by adding at the end the following:

''(B) to violate any of the provisions of section 13A;''.

(B) REMEDIES AND SANCTIONS.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(i) in subsection (c)—

(I) in the first sentence—

(aa) by inserting after ''7 of this Act'' the following: '', or of the appropriate legal or monetary equitable relief owing to any employee or employees under section 13A''; and

(bb) by striking ''wages or unpaid overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and'';

(II) in the second sentence, by striking ''wages or overtime compensation and'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, and''; and

(III) in the third sentence—

(aa) by inserting after ''first sentence of such subsection'' the following: '', or the second sentence of such subsection in the event of a violation of section 13A,''; and

(bb) by striking ''wages or unpaid overtime compensation under sections 6 and 7 or'' and inserting ''wages, unpaid overtime compensation, or legal or monetary equitable relief, as appropriate, or''; and

(ii) in subsection (e)—

(I) in the second sentence, by striking ''section 6 or 7'' and inserting ''section 6, 7, or 13A''; and

(II) in the fourth sentence, in paragraph (3), by striking ''15(a)(4) or'' and inserting ''15(a)(4), a violation of section 15(a)(3)(B), or''.

(3) NOTICE TO EMPLOYEES.—Not later than 30 days after the date of enactment of this section, the Secretary of Labor shall revise the materials the Secretary provides, under regulations contained in section 516.4 of title 29, Code of Federal Regulations, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) to employees so that the notice reflects the amendments made to the Act by this section.

(b) CONGRESSIONAL COVERAGE.—Section 203 of the Congressional Accountability Act of 1995 (2 U.S.C. 1313) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''and section 12(c)'' and inserting ''section 12(c), and section 13A''; and

(B) by striking paragraph (3);

(2) in subsection (b)—

(A) by striking ''The remedy'' and inserting the following:

''(1) IN GENERAL.—Except as provided in paragraph (2), the remedy''; and

(B) by adding at the end the following:

''(2) BIWEEKLY WORK PROGRAMS AND FLEXIBLE CREDIT HOURS PROGRAMS.—The remedy for a violation of subsection (a) relating to the requirements of section 13A of the Fair Labor Standards Act of 1938 shall be such remedy as would be appropriate if awarded under sections 16 and 17 of such Act (29 U.S.C. 216, 217) for such a violation.''; and

(3) in subsection (c), by striking paragraph (4).

(c) TERMINATION.—The authority provided by this section and the amendments made by this section terminates 5 years after the date of enactment of this section.

SA 172. Mr. ROBERTS submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ____. AGRICULTURAL CHEMICALS SECURITY CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

''SEC. 45O. AGRICULTURAL CHEMICALS SECURITY CREDIT.

''(a) IN GENERAL.—For purposes of section 38, in the case of an eligible agricultural business, the agricultural chemicals security credit determined under this section for the taxable year is 30 percent of the qualified security expenditures for the taxable year.

''(b) FACILITY LIMITATION.—The amount of the credit determined under subsection (a) with respect to any facility for any taxable year shall not exceed—

''(1) $100,000, reduced by

''(2) the aggregate amount of credits determined under subsection (a) with respect to such facility for the 5 prior taxable years.

''(c) ANNUAL LIMITATION.—The amount of the credit determined under subsection (a) with respect to any taxpayer for any taxable year shall not exceed $2,000,000.

''(d) QUALIFIED CHEMICAL SECURITY EXPENDITURE.—For purposes of this section, the term 'qualified chemical security expenditure' means, with respect to any eligible agricultural business for any taxable year, any amount paid or incurred by such business during such taxable year for—

''(1) employee security training and background checks,

''(2) limitation and prevention of access to controls of specified agricultural chemicals stored at the facility,

''(3) tagging, locking tank valves, and chemical additives to prevent the theft of specified agricultural chemicals or to render such chemicals unfit for illegal use,

''(4) protection of the perimeter of specified agricultural chemicals,

''(5) installation of security lighting, cameras, recording equipment, and intrusion detection sensors,

''(6) implementation of measures to increase computer or computer network security,

''(7) conducting a security vulnerability assessment,

''(8) implementing a site security plan, and

''(9) such other measures for the protection of specified agricultural chemicals as the Secretary may identify in regulation.

Amounts described in the preceding sentence shall be taken into account only to the extent that such amounts are paid or incurred for the purpose of protecting specified agricultural chemicals.

''(e) ELIGIBLE AGRICULTURAL BUSINESS.—For purposes of this section, the term 'eligible agricultural business' means any person in the trade or business of—

''(1) selling agricultural products, including specified agricultural chemicals, at retail predominantly to farmers and ranchers, or

''(2) manufacturing, formulating, distributing, or aerially applying specified agricultural chemicals.

''(f) SPECIFIED AGRICULTURAL CHEMICAL.—For purposes of this section, the term 'specified agricultural chemical' means—

''(1) any fertilizer commonly used in agricultural operations which is listed under—

''(A) section 302(a)(2) of the Emergency Planning and Community Right-to-Know Act of 1986,

''(B) section 101 of part 172 of title 49, Code of Federal Regulations, or

''(C) part 126, 127, or 154 of title 33, Code of Federal Regulations, and

''(2) any pesticide (as defined in section 2(u) of the Federal Insecticide, Fungicide, and Rodenticide Act), including all active and inert ingredients thereof, which is customarily used on crops grown for food, feed, or fiber.

''(g) CONTROLLED GROUPS.—Rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply for purposes of this section.

''(h) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations which—

''(1) provide for the proper treatment of amounts which are paid or incurred for purpose of protecting any specified agricultural chemical and for other purposes, and

''(2) provide for the treatment of related properties as one facility for purposes of subsection (b).

''(i) TERMINATION.—This section shall not apply to any amount paid or incurred after December 31, 2010.''.

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) is amended by striking ''plus'' at the end of paragraph (30), by striking the period at the end of paragraph (31) and inserting '', plus'', and by adding at the end the following new paragraph:

''(32) in the case of an eligible agricultural business (as defined in section 45O(e)), the agricultural chemicals security credit determined under section 45O(a).''.

(c) DENIAL OF DOUBLE BENEFIT.—Section 280C is amended by adding at the end the following new subsection:

''(f) CREDIT FOR SECURITY OF AGRICULTURAL CHEMICALS.—No deduction shall be allowed for that portion of the expenses (otherwise allowable as a deduction) taken into account in determining the credit under section 45O for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45O(a).''.

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45O. Agricultural chemicals security credit.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 2006.

SA 173. Mr. KERRY submitted an amendment intended to be proposed to amendment SA 112 submitted by Mr. SUNUNU to the amendment SA 100 proposed by Mr. REID (Mr. BAUCUS) to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. ___. SUSTAINABILITY PROGRAM.

(a) IN GENERAL.—Section 29(l) of the Small Business Act (15 U.S.C. 656(l)) is amended—

(1) in the subsection heading, by striking ''PILOT'';

(2) in paragraph (1), by striking ''4-year pilot''; and

(3) in paragraph (5), by striking ''pilot''.

(b) CONFORMING AMENDMENTS.—Section 29(k) of the Small Business Act (15 U.S.C. 656(k)) is amended—

(1) in paragraph (1), by striking ''pilot'';

(2) in paragraph (4)—

(A) in the paragraph heading, by striking ''PILOT'';

(B) in subparagraph (A), by adding at the end the following:

''(v) For fiscal years 2007 and 2008, not less than 41 percent.''; and

(C) in the heading for subparagraph (B), by striking ''PILOT''.

SA 174. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. SUSTAINABILITY PROGRAM.

(a) IN GENERAL.—Section 29(l) of the Small Business Act (15 U.S.C. 656(l)) is amended—

(1) in the subsection heading, by striking ''PILOT'';

(2) in paragraph (1), by striking ''4-year pilot''; and

(3) in paragraph (5), by striking ''pilot''.

(b) CONFORMING AMENDMENTS.—Section 29(k) of the Small Business Act (15 U.S.C. 656(k)) is amended—

(1) in paragraph (1), by striking ''pilot'';

(2) in paragraph (4)—

(A) in the paragraph heading, by striking ''PILOT'';

(B) in subparagraph (A), by adding at the end the following:

''(v) For fiscal years 2007 and 2008, not less than 41 percent.''; and

(C) in the heading for subparagraph (B), by striking ''PILOT''.

SA 175. Mr. HATCH submitted an amendment intended to be proposed by him to the bill H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PROVISIONS TO IMPROVE AND EXPAND THE AVAILABILITY OF HEALTH SAVINGS ACCOUNTS.

(a) PROVISIONS RELATING TO ELIGIBILITY TO CONTRIBUTE TO HSAS.—

(1) INDIVIDUALS ELIGIBLE FOR REIMBURSEMENT UNDER SPOUSE'S FLEXIBLE SPENDING ARRANGEMENT.—Section 223(c)(1) (defining eligible individual) is amended by adding at the end the following new subparagraph:

''(C) SPECIAL RULE FOR CERTAIN FLEXIBLE SPENDING ARRANGEMENTS.—For purposes of subparagraph (A)(ii), an individual shall not be treated as covered under a health plan described in such subparagraph merely because the individual is covered under a flexible spending arrangement (within the meaning of section 106(c)(2)) which is maintained by an employer of the spouse of the individual, but only if—

''(i) the employer is not also the employer of the individual, and

''(ii) the individual certifies to the employer and to the Secretary (in such form and manner as the Secretary may prescribe) that the individual and the individual's spouse will not accept reimbursement under the arrangement for any expenses for medical care provided to the individual.''.

(2) INDIVIDUALS OVER AGE 65 AUTOMATICALLY ENROLLED IN MEDICARE PART A.—Section 223(b)(7) (relating to contribution limitation on medicare eligible individuals) is amended by adding at the end the following new sentence: ''This paragraph shall not apply to any individual during any period the individual's only entitlement to such benefits is an entitlement to hospital insurance benefits under part A of title XVIII of such Act pursuant to an automatic enrollment for such hospital insurance benefits under the regulations under section 226(a)(1) of such Act.''

(3) INDIVIDUALS ELIGIBLE FOR CERTAIN VETERANS BENEFITS.—Section 223(c)(1) (defining eligible individual), as amended by subsection (a), is amended by adding at the end the following new subparagraph:

''(D) SPECIAL RULE FOR INDIVIDUALS ELIGIBLE FOR CERTAIN VETERANS BENEFITS.—For purposes of subparagraph (A)(ii), an individual shall not be treated as covered under a health plan described in such subparagraph merely because the individual receives periodic hospital care or medical services for a service-connected disability under any law administered by the Secretary of Veterans Affairs but only if the individual is not eligible to receive such care or services for any condition other than a service-connected disability.''.

(b) FAMILY PLAN MAY HAVE INDIVIDUAL ANNUAL DEDUCTIBLE LIMIT.—Section 223(c)(2) (defining high deductible health plan) is amended by adding at the end the following new subparagraph:

''(E) SPECIAL RULE FOR FAMILY COVERAGE.—A health plan providing family coverage shall not fail to meet the requirements of subparagraph (A)(i)(II) merely because the plan elects to provide both—

''(i) an aggregate annual deductible limit for all individuals covered by the plan which is not less than the amount in effect under subparagraph (A)(i)(II), and

''(ii) an annual deductible limit for each individual covered by the plan which is not less than the amount in effect under subparagraph (A)(i)(I).''.

(c) DEFINITION OF QUALIFIED MEDICAL EXPENSES.—

(1) PREMIUMS FOR LOW PREMIUM HEALTH PLANS TREATED AS QUALIFIED MEDICAL EXPENSES.—Subparagraph (C) of section 223(d)(2) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by adding at the end the following new clause:

''(v) a high deductible health plan, but only if the expenses are for coverage for a month with respect to which the account beneficiary is an eligible individual by reason of the coverage under the plan.''.

(2) SPECIAL RULE FOR CERTAIN MEDICAL EXPENSES INCURRED BEFORE ESTABLISHMENT OF ACCOUNT.—Paragraph (2) of section 223(d) is amended by adding at the end the following new subparagraph:

''(D) CERTAIN MEDICAL EXPENSES INCURRED BEFORE ESTABLISHMENT OF ACCOUNT TREATED AS QUALIFIED.—An expense shall not fail to be treated as a qualified medical expense solely because such expense was incurred before the establishment of the health savings account if such expense was incurred—

''(i) during either—

''(I) the taxable year in which the health savings account was established, or

''(II) the preceding taxable year in the case of a health savings account established after the taxable year in which such expense was incurred but before the time prescribed by law for filing the return for such taxable year (not including extensions thereof), and

''(ii) for medical care of an individual during a period that such individual was an eligible individual.

For purposes of clause (ii), an individual shall be treated as an eligible individual for any portion of a month the individual is described in subsection (c)(1), determined without regard to whether the individual is covered under a high deductible health plan on the 1st day of such month.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will be held on Tuesday, February 13, 2007, at 10:00 a.m. in room SD–106 of the Dirksen Senate Office Building.

The purpose of this hearing is to receive testimony on the Stern Review of the Economics of Climate Change, examining the economic impacts of climate change and stabilizing greenhouse gases in the atmosphere.

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, DC 20510–6150.

For further information, please contact Jonathan Black at (202) 224–6722 or Amanda Kelly at (202) 224–5836.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will be held on Tuesday, January 30, 2007, at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building.

The purpose of this hearing is to receive testimony on transportation sector fuel efficiency, including challenges to and incentives for increased oil savings through technological innovation including plug-in hybrids.

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, DC 20510–6150.

For further information, please contact Michael Carr at (202) 224–8164 or Rachael Pasternack at (202) 224–0883.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, January 23, 2007, at 9:30 a.m., in open session to consider the nomination of LTG David H. Petraeus, USA, to be General and Commander, Multi-National Forces-Iraq.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, January 23, 2007 at 9:15 a.m. to hold a hearing on Iraq.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, January 23, 2007 at 2:30 p.m. to hold a hearing on Iraq.

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

COMMITTEE ON VETERANS' AFFAIRS

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Tuesday, January 23, 2007, to hold an oversight hearing on DOD/VA Collaboration and Cooperation to Meet the Needs of Returning Service members. The hearing will take place in room 418 of the Russell Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. KENNEDY. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on January 23, 2007 at 2:30 p.m. to hold a hearing.

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

LEGISLATIVE TRANSPARENCY AND ACCOUNTABILITY ACT OF 2007

On Thursday, January 18, 2007, the Senate passed S. 1, as amended, as follows:

S. 1

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

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.

TITLE I—LEGISLATIVE TRANSPARENCY AND ACCOUNTABILITY ACT OF 2007

Sec. 101. Short title.
Sec. 102. Out of scope matters in conference reports.
Sec. 103. Congressional earmark reform.
Sec. 104. Availability of conference reports on the Internet.
Sec. 105. Sense of the Senate on conference committee protocols.
Sec. 106. Elimination of floor privileges for former Members, Senate Officers, and Speakers of the House who are lobbyists or seek financial gain.
Sec. 107. Proper valuation of tickets to entertainment and sporting events.
Sec. 108. Ban on gifts from lobbyists and entities that hire lobbyists.
Sec. 108A. National party conventions.
Sec. 109. Restrictions on lobbyist participation in travel and disclosure.
Sec. 110. Restrictions on former officers, employees, and elected officials of the executive and legislative branch.
Sec. 111. Post employment restrictions.
Sec. 112. Disclosure by Members of Congress and staff of employment negotiations.
Sec. 113. Prohibit official contact with spouse or immediate family member of Member who is a registered lobbyist.
Sec. 114. Influencing hiring decisions.
Sec. 115. Sense of the Senate that any applicable restrictions on Congressional branch employees should apply to the Executive and Judicial branches.
Sec. 116. Amounts of COLA adjustments not paid to certain Members of Congress.
Sec. 117. Requirement of notice of intent to proceed.
Sec. 118. CBO scoring requirement.
Sec. 119. Effective date.

TITLE II—LOBBYING TRANSPARENCY AND ACCOUNTABILITY ACT OF 2007

Sec. 201. Short title.

Subtitle A—Enhancing Lobbying Disclosure

Sec. 211. Quarterly filing of lobbying disclosure reports.
Sec. 212. Quarterly reports on other contributions.
Sec. 213. Additional disclosure.
Sec. 214. Public database of lobbying disclosure information.
Sec. 215. Disclosure by registered lobbyists of all past executive and Congressional employment.
Sec. 216. Increased penalty for failure to comply with lobbying disclosure requirements.
Sec. 217. Disclosure of lobbying activities by certain coalitions and associations.
Sec. 218. Disclosure of enforcement for noncompliance.
Sec. 219. Electronic filing of lobbying disclosure reports.
Sec. 220. Electronic filing and public database for lobbyists for foreign governments.
Sec. 221. Additional lobbying disclosure requirements.
Sec. 222. Increased criminal penalties for failure to comply with lobbying disclosure requirements.
Sec. 223. Effective date.

Subtitle B—Oversight of Ethics and Lobbying

Sec. 231. Comptroller General audit and annual report.
Sec. 232. Mandatory Senate ethics training for Members and staff.
Sec. 233. Sense of the Senate regarding self-regulation within the Lobbying community.
Sec. 234. Annual ethics committees reports.

Subtitle C—Slowing the Revolving Door

Sec. 241. Amendments to restrictions on former officers, employees, and elected officials of the executive and legislative branches.

Subtitle D—Ban on Provision of Gifts or Travel by Lobbyists in Violation of the Rules of Congress

Sec. 251. Prohibition on provision of gifts or travel by registered lobbyists to Members of Congress and to Congressional employees.

Subtitle E—Commission to Strengthen Confidence in Congress Act of 2007

Sec. 261. Short title.
Sec. 262. Establishment of commission.
Sec. 263. Purposes.
Sec. 264. Composition of commission.
Sec. 265. Functions of commission.
Sec. 266. Powers of commission.
Sec. 267. Administration.
Sec. 268. Security clearances for commission Members and staff.
Sec. 269. Commission reports; termination.
Sec. 270. Funding.

TITLE III—CONGRESSIONAL PENSION ACCOUNTABILITY

Sec. 301. Short title.
Sec. 302. Denial of retirement benefits.
Sec. 303. Constitutional authority.
Sec. 304. Effective date.

TITLE IV—GENERAL PROVISIONS

Sec. 401. Knowing and willful falsification or failure to report.
Sec. 402. Public availability of Senate committee and subcommittee meeetings.
Sec. 403. Free attendance at a bona fide constituent event.
Sec. 404. Prohibition on financial gain from earmarks by Members, immediate family of Members, staff of Members, or immediate family of staff of Members.
Sec. 405. Amendments and motions to recommit.
Sec. 406. Congressional travel public website.

TITLE I—LEGISLATIVE TRANSPARENCY AND ACCOUNTABILITY ACT OF 2007

SEC. 101. SHORT TITLE.

This title may be cited as the ''Legislative Transparency and Accountability Act of 2007''.

SEC. 102. OUT OF SCOPE MATTERS IN CONFERENCE REPORTS.

(a) IN GENERAL.—A point of order may be made by any Senator against any item contained in a conference report that includes or consists of any matter not committed to the conferees by either House.

(1) For the purpose of this section ''matter not committed to the conferees by either House'' shall include any item which consists of a specific provision containing a specific level of funding for any specific account, specific program, specific project, or specific activity, when no such specific funding was provided for such specific account, specific program, specific project, or specific activity in the measure originally committed to the conferees by either House.

(2) For the purpose of Rule XXVIII of the Standing Rules of the Senate ''matter not committed'' shall include any item which consists of a specific provision containing a specific level of funding for any specific account, specific program, specific project, or specific activity, when no such specific funding was provided for such specific account, specific program, specific project, or specific activity in the measure originally committed to the conferees by either House.

The point of order may be made and disposed of separately for each item in violation of this section.

(b) DISPOSITION.—If the point of order raised against an item in a conference report under subsection (a) is sustained, then—

(1) the matter in such conference report shall be stricken;

(2) when all other points of order under this section have been disposed of—

(A) the Senate shall proceed to consider the question of whether the Senate should recede from its amendment to the House bill, or its disagreement to the amendment of the House, and concur with a further amendment, which further amendment shall consist of only that portion of the conference report that has not been stricken (any modification of total amounts appropriated necessary to reflect the deletion of the matter struck from the conference report shall be made);

(B) the question shall be debatable; and

(C) no further amendment shall be in order.

(c) SUPERMAJORITY WAIVER AND APPEAL.—This section may be waived or suspended in the Senate only by an affirmative vote of ⅗ of the Members, duly chosen and sworn. An affirmative vote of ⅗ of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SEC. 103. CONGRESSIONAL EARMARK REFORM.

The Standing Rules of the Senate are amended by adding at the end the following:

RULE XLIV

EARMARKS

''1. It shall not be in order to consider—

''(a) a bill or joint resolution reported by a committee unless the report includes a list, which shall be made available on the Internet in a searchable format to the general public for at least 48 hours before consideration of the bill or joint resolution, of congressional earmarks, limited tax benefits, and limited tariff benefits in the bill or in the report (and the name of any Member who submitted a request to the committee for each respective item included in such list) or a statement that the proposition contains no congressional earmarks, limited tax benefits, or limited tariff benefits;

''(b) a bill or joint resolution not reported by a committee unless the chairman of each committee of jurisdiction has caused a list, which shall be made available on the Internet in a searchable format to the general public for at least 48 hours before consideration of the bill or joint resolution, of congressional earmarks, limited tax benefits, and limited tariff benefits in the bill (and the name of any Member who submitted a request to the committee for each respective item included in such list) or a statement that the proposition contains no congressional earmarks, limited tax benefits, or limited tariff benefits to be printed in the Congressional Record prior to its consideration; or

''(c) a conference report to accompany a bill or joint resolution unless the joint explanatory statement prepared by the managers on the part of the House and the managers on the part of the Senate includes a list, which shall be made available on the Internet in a searchable format to the general public for at least 48 hours before consideration of the conference report, of congressional earmarks, limited tax benefits, and limited tariff benefits in the conference report or joint statement (and the name of any Member, Delegate, Resident Commissioner, or Senator who submitted a request to the House or Senate committees of jurisdiction for each respective item included in such list) or a statement that the proposition contains no congressional earmarks, limited tax benefits, or limited tariff benefits.

''2. For the purpose of this rule—

''(a) the term 'congressional earmark' means a provision or report language included primarily at the request of a Member, Delegate, Resident Commissioner, or Senator providing, authorizing or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific State, locality or Congressional district, other than through a statutory or administrative formula-driven or competitive award process;

''(b) the term 'limited tax benefit' means—

''(1) any revenue provision that—

''(A) provides a Federal tax deduction, credit, exclusion, or preference to a particular beneficiary or limited group of beneficiaries under the Internal Revenue Code of 1986; and

''(B) contains eligibility criteria that are not uniform in application with respect to potential beneficiaries of such provision; or

''(2) any Federal tax provision which provides one beneficiary temporary or permanent transition relief from a change to the Internal Revenue Code of 1986; and

''(c) the term 'limited tariff benefit' means a provision modifying the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities.

''3. A Member may not condition the inclusion of language to provide funding for a congressional earmark, a limited tax benefit, or a limited tariff benefit in any bill or joint resolution (or an accompanying report) or in any conference report on a bill or joint resolution (including an accompanying joint explanatory statement of managers) on any vote cast by another Member, Delegate, or Resident Commissioner.

''4. (a) A Member who requests a congressional earmark, a limited tax benefit, or a limited tariff benefit in any bill or joint resolution (or an accompanying report) or in any conference report on a bill or joint resolution (or an accompanying joint statement of managers) shall provide a written statement to the chairman and ranking member of the committee of jurisdiction, including—

''(1) the name of the Member;

''(2) in the case of a congressional earmark, the name and address of the intended recipient or, if there is no specifically intended recipient, the intended location of the activity;

''(3) in the case of a limited tax or tariff benefit, identification of the individual or entities reasonably anticipated to benefit, to the extent known to the Member;

''(4) the purpose of such congressional earmark or limited tax or tariff benefit; and

''(5) a certification that the Member or spouse has no financial interest in such congressional earmark or limited tax or tariff benefit.

''(b) Each committee shall maintain the written statements transmitted under subparagraph (a). The written statements transmitted under subparagraph (a) for any congressional earmarks, limited tax benefits, or limited tariff benefits included in any measure reported by the committee or conference report filed by the chairman of the committee or any subcommittee thereof shall be published in a searchable format on the committee's or subcommittee's website not later than 48 hours after receipt on such information.

''5. It shall not be in order to consider any bill, resolution, or conference report that contains an earmark included in any classified portion of a report accompanying the measure unless the bill, resolution, or conference report includes to the greatest extent practicable, consistent with the need to protect national security (including intelligence sources and methods), in unclassified language, a general program description, funding level, and the name of the sponsor of that earmark.''.

SEC. 104. AVAILABILITY OF CONFERENCE REPORTS ON THE INTERNET.

(a) IN GENERAL.—

(1) AMENDMENT.—Rule XXVIII of all the Standing Rules of the Senate is amended by adding at the end the following:

''7. (a) It shall not be in order to consider a conference report unless such report is available to all Members and made available to the general public by means of the Internet for at least 48 hours before its consideration.

''(b) This paragraph may be waived or suspended in the Senate only by an affirmative vote of ⅗ of the Members, duly chosen and sworn. An affirmative vote of ⅗ of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this paragraph.

''8. It shall not be in order to consider a conference report unless the text of such report has not been changed after the Senate signatures sheets have been signed by a majority of the Senate conferees.''.

(2) EFFECTIVE DATE.—This subsection shall take effect 60 days after the date of enactment of this title.

(b) IMPLEMENTATION.—Not later than 60 days after the date of enactment of this title, the Secretary of the Senate, in consultation with the Clerk of the House of Representatives, the Government Printing Office, and the Committee on Rules and Administration, shall develop a website capable of complying with the requirements of paragraph 7 of rule XXVIII of the Standing Rules of the Senate, as added by subsection (a).

SEC. 105. SENSE OF THE SENATE ON CONFERENCE COMMITTEE PROTOCOLS.

It is the sense of the Senate that—

(1) conference committees should hold regular, formal meetings of all conferees that are open to the public;

(2) all conferees should be given adequate notice of the time and place of all such meetings; and

(3) all conferees should be afforded an opportunity to participate in full and complete

debates of the matters that such conference committees may recommend to their respective Houses.

SEC. 106. ELIMINATION OF FLOOR PRIVILEGES FOR FORMER MEMBERS, SENATE OFFICERS, AND SPEAKERS OF THE HOUSE WHO ARE LOBBYISTS OR SEEK FINANCIAL GAIN.

Rule XXIII of the Standing Rules of the Senate is amended by—

(1) inserting ''1.'' before ''Other'';

(2) inserting after ''Ex-Senators and Senators-elect'' the following: '', except as provided in paragraph 2'';

(3) inserting after ''Ex-Secretaries and ex-Sergeants at Arms of the Senate'' the following: '', except as provided in paragraph 2'';

(4) inserting after ''Ex-Speakers of the House of Representatives'' the following: '', except as provided in paragraph 2''; and

(5) adding at the end the following:

''2. (a) The floor privilege provided in paragraph 1 shall not apply, when the Senate is in session, to an individual covered by this paragraph who is—

''(1) a registered lobbyist or agent of a foreign principal; or

''(2) is in the employ of or represents any party or organization for the purpose of influencing, directly or indirectly, the passage, defeat, or amendment of any legislative proposal.

''(b) The Committee on Rules and Administration may promulgate regulations to allow individuals covered by this paragraph floor privileges for ceremonial functions and events designated by the Majority Leader and the Minority Leader.

''3. A former Member of the Senate may not exercise privileges to use Senate or House gym or exercise facilities or member-only parking spaces if such Member is—

''(1) a registered lobbyist or agent of a foreign principal; or

''(2) in the employ of or represents any party or organization for the purpose of influencing, directly or indirectly, the passage, defeat, or amendment of any legislative proposal.''.

SEC. 107. PROPER VALUATION OF TICKETS TO ENTERTAINMENT AND SPORTING EVENTS.

Paragraph 1(c)(1) of rule XXXV of the Standing Rules of the Senate is amended by adding at the end the following: ''The market value of a ticket to an entertainment or sporting event shall be the face value of the ticket or, in the case of a ticket without a face value, the value of the most similar ticket sold by the issuer to the public. A determination of similarity shall consider all features of the ticket, including access to parking, availability of food and refreshments, and access to venue areas not open to the public. A ticket with no face value and for which no similar ticket is sold by the issuer to the public, shall be valued at the cost of a ticket with the highest face value for the event.''.

SEC. 108. BAN ON GIFTS FROM LOBBYISTS AND ENTITIES THAT HIRE LOBBYISTS.

Paragraph 1(a)(2) of rule XXXV of the Standing Rules of the Senate is amended by—

(1) inserting ''(A)'' after ''(2)''; and

(2) adding at the end the following:

''(B) A Member, officer, or employee may not knowingly accept a gift from a registered lobbyist, an agent of a foreign principal, or a private entity that retains or employs a registered lobbyist or an agent of a foreign principal, except as provided in subparagraph (c).''.

SEC. 108A. NATIONAL PARTY CONVENTIONS.

Paragraph (1)(d) of rule XXXV of the Standing Rules of the Senate is amended by adding at the end the following:

''5. A Member may not participate in an event honoring that Member at a national party convention if such event is paid for by any person or entity required to register pursuant to section 4(a) of the Lobbying Disclosure Act of 1995, or any individual or entity identified as a lobbyist or a client in any current registration or report filed under such Act.''.

SEC. 109. RESTRICTIONS ON LOBBYIST PARTICIPATION IN TRAVEL AND DISCLOSURE.

(a) PROHIBITION.—Paragraph 2 of rule XXXV is amended—

(1) in subparagraph (a)(1), by—

(A) adding after ''foreign principal'' the following: ''or a private entity that retains or employs 1 or more registered lobbyists or agents of a foreign principal'';

(B) striking the dash and inserting ''complies with the requirements of this paragraph.''; and

(C) striking clauses (A) and (B);

(2) by redesignating subparagraph (a)(2) as subparagraph (a)(3) and adding after subparagraph (a)(1) the following:

''(2) Notwithstanding clause (1), a reimbursement (including payment in kind) to a Member, officer, or employee of the Senate from an individual other than a registered lobbyist or agent of a foreign principal that is a private entity that retains or employs one or more registered lobbyists or agents of a foreign principal for necessary transportation, lodging, and related expenses for travel to a meeting, speaking engagement, factfinding trip or similar event in connection with the duties of the Member, officer, or employee shall be deemed to be a reimbursement to the Senate under clause (1) if it is, under regulations prescribed by the Select Committee on Ethics to implement this clause, provided only for attendance at or participation for 1-day at an event (exclusive of travel time and an overnight stay) described in clause (1) or sponsored by a 501(c)(3) organization that has been pre-approved by the Select Committee on Ethics. When deciding whether to pre-approve a 501(c)(3) organization, the Select Committee on Ethics shall consider the stated mission of the organization, the organization's prior history of sponsoring congressional trips, other educational activities performed by the organization besides sponsoring congressional trips, whether any trips previously sponsored by the organization led to an investigation by the Select Committee on Ethics and any other factor deemed relevant by the Select Committee on Ethics. Regulations to implement this clause, and the committee on a case-by-case basis, may permit a 2-night stay when determined by the committee to be practically required to participate in the event.'';

(3) in subparagraph (a)(3), as redesignated, by striking ''clause (1)'' and inserting ''clauses (1) and (2)'';

(4) in subparagraph (b), by inserting before ''Each'' the following: ''Before an employee may accept reimbursement pursuant to subparagraph (a), the employee shall receive advance authorization from the Member or officer under whose direct supervision the employee works to accept reimbursement.'';

(5) in subparagraph (c)—

(A) by inserting before ''Each'' the following: ''Each Member, officer, or employee that receives reimbursement under this paragraph shall disclose the expenses reimbursed or to be reimbursed and authorization (for an employee) to the Secretary of the Senate not later than 30 days after the travel is completed.'';

(B) by striking ''subparagraph (a)(1)'' and inserting ''this subparagraph'';

(C) in clause (5), by striking ''and'' after the semicolon;

(D) by redesignating clause (6) as clause (7); and

(E) by inserting after clause (5) the following:

''(6) a description of meetings and events attended; and'';

(6) by redesignating subparagraphs (d) and (e) as subparagraphs (f) and (g), respectively;

(7) by adding after subparagraph (c) the following:

''(d) A Member, officer, or employee of the Senate may not accept a reimbursement (including payment in kind) for transportation, lodging, or related expenses under subparagraph (a) for a trip that was planned, organized, or arranged by or at the request of a registered lobbyist or agent of a foreign principal, or on which a lobbyist accompanies the Member, officer, or employee on any segment of the trip. The Select Committee on Ethics shall issue regulations identifying de minimis activities by lobbyists or foreign agents that would not violate this subparagraph.

''(e) A Member, officer, or employee shall, before accepting travel otherwise permissible under this paragraph from any person—

''(1) provide to the Select Committee on Ethics a written certification from such person that—

''(A) the trip will not be financed in any part by a registered lobbyist or agent of a foreign principal;

''(B) the source either—

''(i) does not retain or employ registered lobbyists or agents of a foreign principal and is not itself a registered lobbyist or agent of a foreign principal; or

''(ii) certifies that the trip meets the requirements specified in rules prescribed by the Select Committee on Ethics to implement subparagraph (a)(2);

''(C) the source will not accept from any source funds earmarked directly or indirectly for the purpose of financing the specific trip; and

''(D) the trip will not in any part be planned, organized, requested, or arranged by a registered lobbyist or agent of a foreign principal and that the traveler will not be accompanied on any segment of the trip by a registered lobbyist or agent of a foreign principal, except as permitted by regulations issued under subparagraph (d), and specifically details the extent of any involvement of a registered lobbyist or agent of a foreign principal; and

''(2) after the Select Committee on Ethics has promulgated regulations mandated in subparagraph (h), obtain the prior approval of the committee for such reimbursement.'';

(8) by striking subparagraph (g), as redesignated, and inserting the following:

''(g) The Secretary of the Senate shall make all advance authorizations, certifications, and disclosures filed pursuant to this paragraph available for public inspection as soon as possible after they are received.''; and

(9) by adding at the end the following:

''(h)(1) Not later than 45 days after the date of adoption of this subparagraph and at annual intervals thereafter, the Select Committee on Ethics shall develop and revise, as necessary—

''(A) guidelines on judging the reasonableness of an expense or expenditure for purposes of this clause, including the factors that tend to establish—

''(i) a connection between a trip and official duties;

''(ii) the reasonableness of an amount spent by a sponsor;

''(iii) a relationship between an event and an officially connected purpose; and

''(iv) a direct and immediate relationship between a source of funding and an event; and

''(B) regulations describing the information it will require individuals subject to this clause to submit to the committee in order to obtain the prior approval of the committee for any travel covered by this clause, including any required certifications.

''(2) In developing and revising guidelines under clause (1)(A), the committee shall take into account the maximum per diem rates for official Government travel published annually by the General Services Administration, the Department of State, and the Department of Defense.

''(3) For purposes of this subparagraph, travel on an aircraft operated or paid for by a carrier not licenced by the Federal Aviation Administration to operate for compensation shall not be considered a reasonable expense.

''(i) A Member, officer, or employee who travels on an aircraft operated or paid for by a carrier not licenced by the Federal Aviation Administration shall file a report with the Secretary of the Senate not later than 60 days after the date on which such flight is taken. The report shall include—

''(1) the date of such flight;

''(2) the destination of such flight;

''(3) the owner or lessee of the aircraft;

''(4) the purpose of such travel;

''(5) the persons on such flight (except for any person flying the aircraft); and

''(6) the charter rate paid for such flight.''.

(b) REIMBURSEMENT FOR NONCOMMERCIAL AIR TRAVEL.—

(1) CHARTER RATES.—Paragraph 1(c)(1) of rule XXXV of the Standing Rules of the Senate is amended by adding at the end the following: ''Fair market value for a flight on an aircraft operated or paid for by a carrier not licensed by the Federal Aviation Administration to operate for compensation or hire, excluding an aircraft owned or leased by a governmental entity or by a Member of Congress or a Member's spouse (including an aircraft owned by an entity that is not a public corporation in which the Member or Member's spouse has an ownership interest, provided that the Member does not use the aircraft anymore than the Member's or spouse's proportionate share of ownership allows), shall be the pro rata share of the fair market value of the normal and usual charter fare or rental charge for a comparable plane of comparable size (as determined by dividing such cost by the number of members, officers, or employees of the Congress on the flight).''.

(2) UNOFFICIAL OFFICE ACCOUNTS.—Paragraph 1 of rule XXXVIII of the Standing Rules of the Senate is amended by adding at the end the following:

''(c) For purposes of reimbursement under this rule, fair market value of a flight on an aircraft operated or paid for by a carrier not licensed by the Federal Aviation Administration to operate for compensation or hire, shall be the pro rata share of the fair market value of the normal and usual charter fare or rental charge for a comparable plane of comparable size (as determined by dividing such cost by the number of members, officers, or employees of the Congress on the flight).''.

(3) CANDIDATES.—Subparagraph (B) of section 301(8) of the Federal Election Campaign Act of 1971 (42 U.S.C. 431(8)(B)) is amended by—

(A) in clause (xiii), striking ''and'' at the end;

(B) in clause (xiv), striking the period and inserting ''; and''; and

(C) by adding at the end the following :

''(xv) any travel expense for a flight on an aircraft that is operated or paid for by a carrier not licensed by the Federal Aviation Administration to operate for compensation or hire, but only if the candidate, the candidate's authorized committee, or other political committee pays—

''(I) to the owner, lessee, or other person who provides the airplane the pro rata share of the fair market value of such flight (as determined by dividing the fair market value of the normal and usual charter fare or rental charge for a comparable plane of appropriate size by the number of candidates on the flight) by not later than 7 days after the date on which the flight is taken; and

''(II) files a report with the Secretary of the Senate not later than 60 days after the date on which such flight is taken, such report shall include—

''(aa) the date of such flight;

''(bb) the destination of such flight;

''(cc) the owner or lessee of the aircraft;

''(dd) the purpose of such travel;

''(ee) the persons on such flight (except for any person flying the aircraft); and

''(ff) the charter rate paid for such flight.''.

(4) RULES COMMITTEE REVIEW OF TRAVEL ALLOWANCES.—Not later than 90 days after the enactment of this Act, the Senate Committee on Appropriations, Subcommittee on the Legislative Branch, in consultation with the Committee on Rules and Administration of the Senate, shall consider and propose, as necessary in the discretion of the subcommittee, any adjustment to the Senator's Official Personnel and Office Expense Account needed in light of the revised standards for reimbursement for private air travel required by this subsection, and any modifications of Federal statutes or appropriations measures needed to accomplish such adjustments.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 60 days after the date of enactment of this Act.

SEC. 110. RESTRICTIONS ON FORMER OFFICERS, EMPLOYEES, AND ELECTED OFFICIALS OF THE EXECUTIVE AND LEGISLATIVE BRANCH.

(a) IN GENERAL.—Section 207(j)(1) of title 18, United States Code, is amended, by—

(1) striking ''The restrictions'' and inserting the following:

''(A) IN GENERAL.—The restrictions''; and

(2) adding at the end the following:

''(B) INDIAN TRIBES.—The restrictions contained in this section shall not apply to acts done pursuant to section 104 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450i).''.

(b) CONFORMING AMENDMENT.—Section 104(j) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450i(j)) is amended by striking ''and former officers and employees of the United States employed by Indian tribes may act as agents or attorneys for or'' and inserting ''or former officers and employees of the United States who are carrying out official duties as employees or as elected or appointed officials of an Indian tribe may communicate with and''.

SEC. 111. POST EMPLOYMENT RESTRICTIONS.

(a) IN GENERAL.—Paragraph 9 of rule XXXVII of the Standing Rules of the Senate is amended by—

(1) designating the first sentence as subparagraph (a);

(2) designating the second sentence as subparagraph (b); and

(3) adding at the end the following:

''(c) If an employee on the staff of a Member or on the staff of a committee whose rate of pay is equal to or greater than 75 percent of the rate of pay of a Member and employed at such rate for more than 60 days in a calendar year, upon leaving that position, becomes a registered lobbyist under the Lobbying Disclosure Act of 1995, or is employed or retained by such a registered lobbyist for the purpose of influencing legislation, such employee may not lobby any Member, officer, or employee of the Senate for a period of 1 year after leaving that position.''.

(b) EFFECTIVE DATE.—This section shall take effect 60 days after the date of enactment of this title.

SEC. 112. DISCLOSURE BY MEMBERS OF CONGRESS AND STAFF OF EMPLOYMENT NEGOTIATIONS.

Rule XXXVII of the Standing Rules of the Senate is amended by adding at the end the following:

''14. (a) A Member shall not directly negotiate or have any arrangement concerning prospective private employment until after his or her successor has been elected, unless such Member files a statement with the Secretary of the Senate, for public disclosure, regarding such negotiations or arrangements within 3 business days after the commencement of such negotiation or arrangement, including the name of the private entity or entities involved in such negotiations or arrangements, the date such negotiations or arrangements commenced, and must be signed by the Member.

''(b) A Member shall not directly negotiate or have any arrangement concerning prospective employment until after his or her successor has been elected for a job involving lobbying activities as defined by the Lobbying Disclosure Act of 1995.

''(c)(1) An employee of the Senate earning in excess of 75 percent of the salary paid to a Senator shall notify the Committee on Ethics that he or she is negotiating or has any arrangement concerning prospective private employment.

''(2) The disclosure and notification under this subparagraph shall be made within 3 business days after the commencement of such negotiation or arrangement.

''(3) An employee to whom this subparagraph applies shall recuse himself or herself from any matter in which there is a conflict of interest or an appearance of a conflict for that employee under this rule and notify the Select Committee on Ethics of such recusal.''.

SEC. 113. PROHIBIT OFFICIAL CONTACT WITH SPOUSE OR IMMEDIATE FAMILY MEMBER OF MEMBER WHO IS A REGISTERED LOBBYIST.

Rule XXXVII of the Standing Rules of the Senate is amended by—

(1) redesignating paragraphs 10 through 12 as paragraphs 11 through 13, respectively; and

(2) inserting after paragraph 9, the following:

''10. (a) If a Member's spouse or immediate family member is a registered lobbyist under the Lobbying Disclosure Act of 1995, or is employed or retained by such a registered lobbyist for the purpose of influencing legislation, the Member shall prohibit all staff employed by that Member (including staff in personal, committee, and leadership offices) from having any official contact with the Member's spouse or immediate family member.

''(b) Members and employees on the staff of a Member (including staff in personal, committee, and leadership offices) shall be prohibited from having any official contact with any spouse of a Member who is a registered lobbyist under the Lobbying Disclosure Act of 1995, or is employed or retained by such a registered lobbyist.

''(c) The prohibition in subparagraph (a) shall not apply to the spouse of a Member who was serving as a registered lobbyist at least 1 year prior to the election of that Member to office or at least 1 year prior to their marriage to that Member.

''(d) In this paragraph, the term 'immediate family member' means the son, daughter, stepson, stepdaughter, son-in-law, daughter-in-law, mother, father, stepmother, stepfather, mother-in-law, father-in-law, brother, sister, stepbrother, or stepsister of the Member.''.

SEC. 114. INFLUENCING HIRING DECISIONS.

Rule XLIII of the Standing Rules of the Senate is amended by adding at the end the following:

''6. No Member shall, with the intent to influence on the basis of partisan political affiliation an employment decision or employment practice of any private entity—

''(1) take or withhold, or offer or threaten to take or withhold, an official act; or

''(2) influence, or offer or threaten to influence the official act of another.''.

SEC. 115. SENSE OF THE SENATE THAT ANY APPLICABLE RESTRICTIONS ON CONGRESSIONAL BRANCH EMPLOYEES SHOULD APPLY TO THE EXECUTIVE AND JUDICIAL BRANCHES.

It is the sense of the Senate that any applicable restrictions on Congressional branch employees in this title should apply to the Executive and Judicial branches.

SEC. 116. AMOUNTS OF COLA ADJUSTMENTS NOT PAID TO CERTAIN MEMBERS OF CONGRESS.

(a) IN GENERAL.—Any adjustment under section 601(a) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31) (relating to the cost-of-living adjustments for Members of Congress) shall not be paid to any Member of Congress who voted for any amendment (or against the tabling of any amendment) that provided that such adjustment would not be made.

(b) DEPOSIT IN TREASURY.—Any amount not paid to a Member of Congress under subsection (a) shall be transmitted to the Treasury for deposit in the appropriations account under the subheading ''**MEDICAL SERVICES**'' under the heading ''**VETERANS HEALTH ADMINISTRATION**.''

(c) ADMINISTRATION.—The salary of any Member of Congress to whom subsection (a) applies shall be deemed to be the salary in effect after the application of that subsection, except that for purposes of determining any benefit (including any retirement or insurance benefit), the salary of that Member of Congress shall be deemed to be the salary that Member of Congress would have received, but for that subsection.

(d) EFFECTIVE DATE.—This section shall take effect on the first day of the first applicable pay period beginning on or after February 1, 2008.

SEC. 117. REQUIREMENT OF NOTICE OF INTENT TO PROCEED.

(a) IN GENERAL.—The majority and minority leaders of the Senate or their designees shall recognize a notice of intent of a Senator who is a member of their caucus to object to proceeding to a measure or matter only if the Senator—

(1) submits the notice of intent in writing to the appropriate leader or their designee; and

(2) within 3 session days after the submission under paragraph (1), submits for inclusion in the Congressional Record and in the applicable calendar section described in subsection (b) the following notice:

''I, Senator ____, intend to object to proceeding to ____, dated ____.''.

(b) CALENDAR.—The Secretary of the Senate shall establish, for both the Senate Calendar of Business and the Senate Executive Calendar, a separate section entitled ''Notices of Intent to Object to Proceeding''. Each section shall include the name of each Senator filing a notice under subsection (a)(2), the measure or matter covered by the calendar that the Senator objects to, and the date the objection was filed.

(c) REMOVAL.—A Senator may have an item with respect to the Senator removed from a calendar to which it was added under subsection (b) by submitting for inclusion in the Congressional Record the following notice:

''I, Senator ____, do not object to proceeding to ____, dated ____.''.

SEC. 118. CBO SCORING REQUIREMENT.

(a) IN GENERAL.—It shall not be in order in the Senate to consider a report of a committee of conference unless an official written cost estimate or table by the Congressional Budget Office is available at the time of consideration.

(b) SUPERMAJORITY REQUIREMENT.—This section may be waived or suspended in the Senate only by an affirmative vote of ⅗ of the Members, duly chosen and sworn. An affirmative vote of ⅗ of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SEC. 119. EFFECTIVE DATE.

Except as otherwise provided in this title, this title shall take effect on the date of enactment of this title.

TITLE II—LOBBYING TRANSPARENCY AND ACCOUNTABILITY ACT OF 2007

SEC. 201. SHORT TITLE.

This title may be cited as the ''Legislative Transparency and Accountability Act of 2007''.

Subtitle A—Enhancing Lobbying Disclosure

SEC. 211. QUARTERLY FILING OF LOBBYING DISCLOSURE REPORTS.

(a) QUARTERLY FILING REQUIRED.—Section 5 of the Lobbying Disclosure Act of 1995 (in this title referred to as the ''Act'') (2 U.S.C. 1604) is amended—

(1) in subsection (a)—

(A) in the subsection heading, by striking ''Semiannual'' and inserting ''Quarterly''; and

(B) by striking the first sentence and inserting the following: ''Not later than 20 days after the end of the quarterly period beginning on the 1st day of January, April, July, and October of each year, or on the first business day after the 20th day if that day is not a business day, in which a registrant is registered with the Secretary of the Senate and the Clerk of the House of Representatives, a registrant shall file a report or reports, as applicable, on its lobbying activities during such quarterly period.''; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''semiannual report'' and inserting ''quarterly report'';

(B) in paragraph (2), by striking ''semiannual filing period'' and inserting ''quarterly period'';

(C) in paragraph (3), by striking ''semiannual period'' and inserting ''quarterly period''; and

(D) in paragraph (4), by striking ''semiannual filing period'' and inserting ''quarterly period''.

(b) CONFORMING AMENDMENTS.—

(1) DEFINITION.—Section 3(10) of the Act (2 U.S.C. 1602) is amended by striking ''six month period'' and inserting ''three-month period''.

(2) REGISTRATION.—Section 4 of the Act (2 U.S.C. 1603) is amended—

(A) in subsection (a)(3)(A), by striking ''semiannual period'' and inserting ''quarterly period''; and

(B) in subsection (b)(3)(A), by striking ''semiannual period'' and inserting ''quarterly period''.

(3) ENFORCEMENT.—Section 6(a)(6) of the Act (2 U.S.C. 1605(6)) is amended by striking ''semiannual period'' and inserting ''quarterly period''.

(4) ESTIMATES.—Section 15 of the Act (2 U.S.C. 1610) is amended—

(A) in subsection (a)(1), by striking ''semiannual period'' and inserting ''quarterly period''; and

(B) in subsection (b)(1), by striking ''semiannual period'' and inserting ''quarterly period''.

(5) DOLLAR AMOUNTS.—

(A) REGISTRATION.—Section 4 of the Act (2 U.S.C. 1603) is amended—

(i) in subsection (a)(3)(A)(i), by striking ''$5,000'' and inserting ''$2,500'';

(ii) in subsection (a)(3)(A)(ii), by striking ''$20,000'' and inserting ''$10,000'';

(iii) in subsection (b)(3)(A), by striking ''$10,000'' and inserting ''$5,000''; and

(iv) in subsection (b)(4), by striking ''$10,000'' and inserting ''$5,000''.

(B) REPORTS.—Section 5 of the Act (2 U.S.C. 1604) is amended—

(i) in subsection (c)(1), by striking ''$10,000'' and ''$20,000'' and inserting ''$5,000'' and ''$10,000'', respectively; and

(ii) in subsection (c)(2), by striking ''$10,000'' both places such term appears and inserting ''$5,000''.

SEC. 212. QUARTERLY REPORTS ON OTHER CONTRIBUTIONS.

Section 5 of the Act (2 U.S.C. 1604) is amended by adding at the end the following:

''(d) QUARTERLY REPORTS ON OTHER CONTRIBUTIONS.—

''(1) IN GENERAL.—Not later than 45 days after the end of the quarterly period beginning on the 20th day of January, April, July, and October of each year, or on the first business day after the 20th if that day is not a business day, each registrant under paragraphs (1) or (2) of section 4(a), and each employee who is listed as a lobbyist on a current registration or report filed under this Act, shall file a report with the Secretary of the Senate and the Clerk of the House of Representatives containing—

''(A) the name of the registrant or lobbyist;

''(B) the employer of the lobbyist or the names of all political committees established or administered by the registrant;

''(C) the name of each Federal candidate or officeholder, leadership PAC, or political party committee, to whom aggregate contributions equal to or exceeding $200 were made by the lobbyist, the registrant, or a political committee established or administered by the registrant within the calendar year, and the date and amount of each contribution made within the quarter;

''(D) the name of each Federal candidate or officeholder, leadership PAC, or political party committee for whom a fundraising event was hosted, co-hosted, or sponsored by the lobbyist, the registrant, or a political committee established or administered by the registrant within the quarter, and the date, location, and total amount (or good faith estimate thereof) raised at such event;

''(E) the name of each Federal candidate or officeholder, leadership PAC, or political party committee for whom aggregate contributions equal to or exceeding $200 were collected or arranged within the calendar year, and to the extent known the aggregate amount of such contributions (or a good faith estimate thereof) within the quarter for each recipient;

''(F) the name of each covered legislative branch official or covered executive branch official for whom the lobbyist, the registrant, or a political committee established or administered by the registrant provided, or directed or caused to be provided, any payment or reimbursements for travel and related expenses in connection with the duties of such covered official, including for each such official—

''(i) an itemization of the payments or reimbursements provided to finance the travel and related expenses, and to whom the payments or reimbursements were made with the express or implied understanding or

agreement that such funds will be used for travel and related expenses;

''(ii) the purpose and final itinerary of the trip, including a description of all meetings, tours, events, and outings attended;

''(iii) whether the registrant or lobbyist traveled on any such travel;

''(iv) the identity of the listed sponsor or sponsors of such travel; and

''(v) the identity of any person or entity, other than the listed sponsor or sponsors of the travel, who directly or indirectly provided for payment of travel and related expenses at the request or suggestion of the lobbyist, the registrant, or a political committee established or administered by the registrant;

''(G) the date, recipient, and amount of funds contributed, disbursed, or arranged (or a good faith estimate thereof) by the lobbyist, the registrant, or a political committee established or administered by the registrant—

''(i) to pay the cost of an event to honor or recognize a covered legislative branch official or covered executive branch official;

''(ii) to, or on behalf of, an entity that is named for a covered legislative branch official, or to a person or entity in recognition of such official;

''(iii) to an entity established, financed, maintained, or controlled by a covered legislative branch official or covered executive branch official, or an entity designated by such official; or

''(iv) to pay the costs of a meeting, retreat, conference, or other similar event held by, or for the benefit of, 1 or more covered legislative branch officials or covered executive branch officials;

''(H) the date, recipient, and amount of any gift (that under the standing rules of the House of Representatives or Senate counts towards the $100 cumulative annual limit described in such rules) valued in excess of $20 given by the lobbyist, the registrant, or a political committee established or administered by the registrant to a covered legislative branch official or covered executive branch official; and

''(I) the name of each Presidential library foundation and Presidential inaugural committee, to whom contributions equal to or exceeding $200 were made by the lobbyist, the registrant, or a political committee established or administered by the registrant within the calendar year, and the date and amount of each such contribution within the quarter.

''(2) RULES OF CONSTRUCTION.—

''(A) IN GENERAL.—For purposes of this subsection, contributions, donations, or other funds—

''(i) are 'collected' by a lobbyist where funds donated by a person other than the lobbyist are received by the lobbyist for, or forwarded by the lobbyist to, a Federal candidate or other recipient; and

''(ii) are 'arranged' by a lobbyist—

''(I) where there is a formal or informal agreement, understanding, or arrangement between the lobbyist and a Federal candidate or other recipient that such contributions, donations, or other funds will be or have been credited or attributed by the Federal candidate or other recipient in records, designations, or formal or informal recognitions as having been raised, solicited, or directed by the lobbyist; or

''(II) where the lobbyist has actual knowledge that the Federal candidate or other recipient is aware that the contributions, donations, or other funds were solicited, arranged, or directed by the lobbyist.

''(B) CLARIFICATIONS.—For the purposes of this paragraph—

''(i) the term 'lobbyist' shall include a lobbyist, registrant, or political committee established or administered by the registrant; and

''(ii) the term 'Federal candidate or other recipient' shall include a Federal candidate, Federal officeholder, leadership PAC, or political party committee.

''(3) DEFINITIONS.—In this subsection, the following definitions shall apply:

''(A) GIFT.—The term 'gift'—

''(i) means a gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value; and

''(ii) includes, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred—

''(I) gifts of services;

''(II) training;

''(III) transportation; and

''(IV) lodging and meals.

''(B) LEADERSHIP PAC.—The term 'leadership PAC' means with respect to an individual holding Federal office, an unauthorized political committee which is associated with an individual holding Federal office, except that such term shall not apply in the case of a political committee of a political party.''.

SEC. 213. ADDITIONAL DISCLOSURE.

Section 5(b) of the Act (2 U.S.C. 1604(b)) is amended—

(1) in paragraph (3), by striking ''and'' after the semicolon;

(2) in paragraph (4), by striking the period and inserting a semicolon; and

(3) by adding at the end of the following:

''(5) for each client, immediately after listing the client, an identification of whether the client is a public entity, including a State or local government or a department, agency, special purpose district, or other instrumentality controlled by a State or local government, or a private entity.''.

SEC. 214. PUBLIC DATABASE OF LOBBYING DISCLOSURE INFORMATION.

(a) DATABASE REQUIRED.—Section 6 of the Act (2 U.S.C. 1605) is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(9) maintain, and make available to the public over the Internet, without a fee or other access charge, in a searchable, sortable, and downloadable manner, an electronic database that—

''(A) includes the information contained in registrations and reports filed under this Act;

''(B) directly links the information it contains to the information disclosed in reports filed with the Federal Election Commission under section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434); and

''(C) is searchable and sortable, at a minimum, by each of the categories of information described in section 4(b) or 5(b).''.

(b) AVAILABILITY OF REPORTS.—Section 6(a)(4) of the Act is amended by inserting before the semicolon the following: ''and, in the case of a report filed in electronic form under section 5(e), shall make such report available for public inspection over the Internet not more than 48 hours after the report is filed''.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out paragraph (9) of section 6(a) of the Act, as added by subsection (a).

SEC. 215. DISCLOSURE BY REGISTERED LOBBYISTS OF ALL PAST EXECUTIVE AND CONGRESSIONAL EMPLOYMENT.

Section 4(b)(6) of the Act (2 U.S.C. 1603) is amended by striking ''or a covered legislative branch official'' and all that follows through ''as a lobbyist on behalf of the client,'' and inserting ''or a covered legislative branch official,''.

SEC. 216. INCREASED PENALTY FOR FAILURE TO COMPLY WITH LOBBYING DISCLOSURE REQUIREMENTS.

Section 7 of the Act (2 U.S.C. 1606) is amended by striking ''$50,000'' and inserting ''$200,000''.

SEC. 217. DISCLOSURE OF LOBBYING ACTIVITIES BY CERTAIN COALITIONS AND ASSOCIATIONS.

(a) IN GENERAL.—Section 4(b)(3)(B) of the Act (2 U.S.C. 1603(b)(3)(B)) is amended to read as follows:

''(B) participates in a substantial way in the planning, supervision, or control of such lobbying activities;''.

(b) NO DONOR OR MEMBERSHIP LIST DISCLOSURE.—Section 4(b) of the Act (2 U.S.C. 1603(b)) is amended by adding at the end the following:

''No disclosure is required under paragraph (3)(B) if it is publicly available knowledge that the organization that would be identified is affiliated with the client or has been publicly disclosed to have provided funding to the client, unless the organization in whole or in major part plans, supervises, or controls such lobbying activities. Nothing in paragraph (3)(B) shall be construed to require the disclosure of any information about individuals who are members of, or donors to, an entity treated as a client by this Act or an organization identified under that paragraph.''.

SEC. 218. DISCLOSURE OF ENFORCEMENT FOR NONCOMPLIANCE.

Section 6 of the Act (2 U.S.C. 1605) is amended—

(1) by inserting ''(a)'' before ''The Secretary of the Senate'';

(2) in paragraph (8), by striking ''and'' at the end;

(3) in paragraph (9), by striking the period and inserting ''; and'';

(4) after paragraph (9), by inserting the following:

''(10) make publicly available the aggregate number of lobbyists and lobbying firms, separately accounted, referred to the United States Attorney for the District of Columbia for noncompliance as required by paragraph (8) on a semi annual basis''; and

(5) by inserting at the end the following:

''(b) ENFORCEMENT REPORT.—The United States Attorney for the District of Columbia shall report to the Committee on Homeland Security and Governmental Affairs and the Committee on the Judiciary of the Senate and the Committee on Government Reform and the Committee on the Judiciary of the House of Representatives on a semi annual basis the aggregate number of enforcement actions taken by the Attorney's office under this Act and the amount of fines, if any, by case, except that such report shall not include the names of individuals or personally identifiable information.''.

SEC. 219. ELECTRONIC FILING OF LOBBYING DISCLOSURE REPORTS.

Section 5 of the Act (2 U.S.C. 1604) is amended by adding at the end the following:

''(e) ELECTRONIC FILING REQUIRED.—A report required to be filed under this section shall be filed in electronic form, in addition to any other form. The Secretary of the Senate and the Clerk of the House of Representatives shall use the same electronic software for receipt and recording of filings under this Act.''.

SEC. 220. ELECTRONIC FILING AND PUBLIC DATABASE FOR LOBBYISTS FOR FOREIGN GOVERNMENTS.

(a) ELECTRONIC FILING.—Section 2 of the Foreign Agents Registration Act (22 U.S.C. 612) is amended by adding at the end the following new subsection:

''(g) ELECTRONIC FILING OF REGISTRATION STATEMENTS AND UPDATES.—A registration statement or update required to be filed under this section shall be filed in electronic form, in addition to any other form that may be required by the Attorney General.''.

(b) PUBLIC DATABASE.—Section 6 of the Foreign Agents Registration Act (22 U.S.C. 616) is amended by adding at the end the following new subsection:

''(d) PUBLIC DATABASE OF REGISTRATION STATEMENTS AND UPDATES.—

''(1) IN GENERAL.—The Attorney General shall maintain, and make available to the public over the Internet, without a fee or other access charge, in a searchable, sortable, and downloadable manner, an electronic database that—

''(A) includes the information contained in registration statements and updates filed under this Act;

''(B) directly links the information it contains to the information disclosed in reports filed with the Federal Election Commission under section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434); and

''(C) is searchable and sortable, at a minimum, by each of the categories of information described in section 2(a).

''(2) ACCOUNTABILITY.—Each registration statement and update filed in electronic form pursuant to section 2(g) shall be made available for public inspection over the Internet not more than 48 hours after the registration statement or update is filed.''.

SEC. 221. ADDITIONAL LOBBYING DISCLOSURE REQUIREMENTS.

Section 5(b) of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1604(b)) is amended by adding at the end the following:

''(8) a certification that the lobbying firm, or registrant, and each employee listed as a lobbyist under section 4(b)(6) or 5(b)(2)(C) for that lobbying firm or registrant, has not provided, requested, or directed a gift, including travel, to a Member or employee of Congress in violation rule XXXV of the Standing Rules of the Senate or rule XXV of the Rules of the House of Representatives.''.

SEC. 222. INCREASED CRIMINAL PENALTIES FOR FAILURE TO COMPLY WITH LOBBYING DISCLOSURE REQUIREMENTS.

Section 7 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1606) is amended—

(1) by inserting ''(a) CIVIL PENALTY.—'' before ''Whoever''; and

(2) by adding at the end the following:

''(b) CRIMINAL PENALTY.—Whoever knowingly, willfully, and corruptly fails to comply with any provision of this section shall be imprisoned for not more than 10 years, or fined under title 18, United States Code, or both.''.

SEC. 223. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect January 1, 2008.

Subtitle B—Oversight of Ethics and Lobbying

SEC. 231. COMPTROLLER GENERAL AUDIT AND ANNUAL REPORT.

(a) AUDIT REQUIRED.—The Comptroller General shall audit on an annual basis lobbying registration and reports filed under the Lobbying Disclosure Act of 1995 to determine the extent of compliance or noncompliance with the requirements of that Act by lobbyists and their clients.

(b) ANNUAL REPORTS.—Not later than April 1 of each year, the Comptroller General shall submit to Congress a report on the review required by subsection (a). The report shall include the Comptroller General's assessment of the matters required to be emphasized by that subsection and any recommendations of the Comptroller General to—

(1) improve the compliance by lobbyists with the requirements of that Act; and

(2) provide the Secretary of the Senate and the Clerk of the House of Representatives with the resources and authorities needed for effective administration of that Act.

SEC. 232. MANDATORY SENATE ETHICS TRAINING FOR MEMBERS AND STAFF.

(a) TRAINING PROGRAM.—The Select Committee on Ethics shall conduct ongoing ethics training and awareness programs for Members of the Senate and Senate staff.

(b) REQUIREMENTS.—The ethics training program conducted by the Select Committee on Ethics shall be completed by—

(1) new Senators or staff not later than 60 days after commencing service or employment; and

(2) Senators and Senate staff serving or employed on the date of enactment of this Act not later than 120 days after the date of enactment of this Act.

SEC. 233. SENSE OF THE SENATE REGARDING SELF-REGULATION WITHIN THE LOBBYING COMMUNITY.

It is the sense of the Senate that the lobbying community should develop proposals for multiple self-regulatory organizations which could provide—

(1) for the creation of standards for the organizations appropriate to the type of lobbying and individuals to be served;

(2) training for the lobbying community on law, ethics, reporting requirements, and disclosure requirements;

(3) for the development of educational materials for the public on how to responsibly hire a lobbyist or lobby firm;

(4) standards regarding reasonable fees to clients;

(5) for the creation of a third-party certification program that includes ethics training; and

(6) for disclosure of requirements to clients regarding fee schedules and conflict of interest rules.

SEC. 234. ANNUAL ETHICS COMMITTEES REPORTS.

The Committee on Standards of Official Conduct of the House of Representatives and the Select Committee on Ethics of the Senate shall each issue an annual report due no later than January 31, describing the following:

(1) The number of alleged violations of Senate or House rules including the number received from third parties, from Members or staff within each House, or inquires raised by a Member or staff of the respective House or Senate committee.

(2) A list of the number of alleged violations that were dismissed—

(A) for lack of subject matter jurisdiction; or

(B) because they failed to provide sufficient facts as to any material violation of the House or Senate rules beyond mere allegation or assertion.

(3) The number of complaints in which the committee staff conducted a preliminary inquiry.

(4) The number of complaints that staff presented to the committee with recommendations that the complaint be dismissed.

(5) The number of complaints that the staff presented to the committee with recommendation that the investigation proceed.

(6) The number of ongoing inquiries.

(7) The number of complaints that the committee dismissed for lack of substantial merit.

(8) The number of private letters of admonition or public letters of admonition issued.

(9) The number of matters resulting in a disciplinary sanction.

Subtitle C—Slowing the Revolving Door

SEC. 241. AMENDMENTS TO RESTRICTIONS ON FORMER OFFICERS, EMPLOYEES, AND ELECTED OFFICIALS OF THE EXECUTIVE AND LEGISLATIVE BRANCHES.

(a) VERY SENIOR EXECUTIVE PERSONNEL.—The matter after subparagraph (C) in section 207(d)(1) of title 18, United States Code, is amended by striking ''within 1 year'' and inserting ''within 2 years''.

(b) RESTRICTIONS ON LOBBYING BY MEMBERS OF CONGRESS AND EMPLOYEES OF CONGRESS.—Subsection (e) of section 207 of title 18, United States Code, is amended—

(1) in paragraph (1)(A), by striking ''within 1 year'' and inserting ''within 2 years'';

(2) by striking paragraphs (2) through (5) and inserting the following:

''(2) CONGRESSIONAL STAFF.—

''(A) PROHIBITION.—Any person who is an employee of a House of Congress and who, within 1 year after that person leaves office, knowingly makes, with the intent to influence, any communication to or appearance before any of the persons described in subparagraph (B), on behalf of any other person (except the United States) in connection with any matter on which such former employee seeks action by a Member, officer, or employee of either House of Congress, in his or her official capacity, shall be punished as provided in section 216 of this title.

''(B) CONTACT PERSONS COVERED.—Persons referred to in subparagraph (A) with respect to appearances or communications are any Member, officer, or employee of the House of Congress in which the person subject to subparagraph (A) was employed. This subparagraph shall not apply to contacts with staff of the Secretary of the Senate or the Clerk of the House of Representatives regarding compliance with lobbying disclosure requirements under the Lobbying Disclosure Act of 1995.

''(3) MEMBERS OF CONGRESS AND ELECTED OFFICERS.—Any person who is a Member of Congress or an elected officer of either House of Congress and who, within 2 years after that person leaves office, knowingly engages in lobbying activities on behalf of any other person (except the United States) in connection with any matter on which such former Member of Congress or elected officer seeks action by a Member, officer, or employee of either House of Congress shall be punished as provided in section 216 of this title.''.

(3) in paragraph (6)—

(A) by striking ''paragraphs (2), (3), and (4)'' and inserting ''paragraph (2)'';

(B) by striking ''(A)'';

(C) by striking subparagraph (B); and

(D) by redesignating the paragraph as paragraph (4); and

(4) by redesignating paragraph (7) as paragraph (5).

(c) DEFINITION OF LOBBYING ACTIVITY.—Section 207(i) of title 18, United States Code, is amended—

(1) in paragraph (2), by striking ''and'' after the semicolon;

(2) in paragraph (3), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(4) the term 'lobbying activities' has the same meaning given such term in section 3(7) of the Lobbying Disclosure Act (2 U.S.C. 1602(7)).''.

(d) EFFECTIVE DATE.—The amendments made by subsection (b) shall take effect 60 days after the date of enactment of this Act.

Subtitle D—Ban on Provision of Gifts or Travel by Lobbyists in Violation of the Rules of Congress

SEC. 251. PROHIBITION ON PROVISION OF GIFTS OR TRAVEL BY REGISTERED LOBBYISTS TO MEMBERS OF CONGRESS AND TO CONGRESSIONAL EMPLOYEES.

The Lobbying Disclosure Act of 1995 is amended by adding at the end the following:

"SEC. 25. PROHIBITION ON PROVISION OF GIFTS OR TRAVEL BY REGISTERED LOBBYISTS TO MEMBERS OF CONGRESS AND TO CONGRESSIONAL EMPLOYEES.

''(a) PROHIBITION.—Persons described in subsection (b) may not make a gift or provide travel to a Member, Delegate, Resident Commissioner, officer, or employee of Congress, if the person has knowledge that the gift or travel may not be accepted under the rules of the House of Representatives or the Senate.

''(b) PERSONS SUBJECT TO PROHIBITION.—The persons subject to the prohibition in subsection (a) are any lobbyist that registers under section 4(a)(1), any organization that employs 1 or more lobbyists and registers under section 4(a)(2), and any employee listed as a lobbyist by a registrant under section 4(b)(6).

''(c) PENALTY.—Any person who violates this section shall be subject to the penalties provided in section 7.''.

Subtitle E—Commission to Strengthen Confidence in Congress Act of 2007

SEC. 261. SHORT TITLE.

This subtitle may be cited as the ''Commission to Strengthen Confidence in Congress Act of 2007''.

SEC. 262. ESTABLISHMENT OF COMMISSION.

There is established in the legislative branch a commission to be known as the ''Commission to Strengthen Confidence in Congress'' (in this subtitle referred to as the ''Commission'').

SEC. 263. PURPOSES.

The purposes of the Commission are to—

(1) evaluate and report the effectiveness of current congressional ethics requirements, if penalties are enforced and sufficient, and make recommendations for new penalties;

(2) weigh the need for improved ethical conduct with the need for lawmakers to have access to expertise on public policy issues;

(3) determine whether the current system for enforcing ethics rules and standards of conduct is sufficiently effective and transparent;

(4) determine whether the statutory framework governing lobbying disclosure should be expanded to include additional means of attempting to influence Members of Congress, senior staff, and high-ranking executive branch officials;

(5) analyze and evaluate the changes made by this Act to determine whether additional changes need to be made to uphold and enforce standards of ethical conduct and disclosure requirements; and

(6) investigate and report to Congress on its findings, conclusions, and recommendations for reform.

SEC. 264. COMPOSITION OF COMMISSION.

(a) MEMBERS.—The Commission shall be composed of 10 members, of whom—

(1) the chair and vice chair shall be selected by agreement of the majority leader and minority leader of the House of Representatives and the majority leader and minority leader of the Senate;

(2) 2 members shall be appointed by the senior member of the Senate leadership of the Republican Party, 1 of which is a former member of the Senate;

(3) 2 members shall be appointed by the senior member of the Senate leadership of the Democratic Party, 1 of which is a former member of the Senate;

(4) 2 members shall be appointed by the senior member of the leadership of the House of Representatives of the Republican Party, 1 of which is a former member of the House of Representatives; and

(5) 2 members shall be appointed by the senior member of the leadership of the House of Representatives of the Democratic Party, 1 of which is a former member of the House of Representatives.

(b) QUALIFICATIONS; INITIAL MEETING.—

(1) POLITICAL PARTY AFFILIATION.—Five members of the Commission shall be Democrats and 5 Republicans.

(2) NONGOVERNMENTAL APPOINTEES.—An individual appointed to the Commission may not be an officer or employee of the Federal Government or any State or local government.

(3) OTHER QUALIFICATIONS.—It is the sense of Congress that individuals appointed to the Commission should be prominent United States citizens, with national recognition and significant depth of experience in professions such as governmental service, government consulting, government contracting, the law, higher education, historian, business, public relations, and fundraising.

(4) DEADLINE FOR APPOINTMENT.—All members of the Commission shall be appointed on a date 3 months after the date of enactment of this Act.

(5) INITIAL MEETING.—The Commission shall meet and begin the operations of the Commission as soon as practicable.

(c) QUORUM; VACANCIES.—After its initial meeting, the Commission shall meet upon the call of the chairman or a majority of its members. Six members of the Commission shall constitute a quorum. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

SEC. 265. FUNCTIONS OF COMMISSION.

The functions of the Commission are to submit to Congress a report required by this title containing such findings, conclusions, and recommendations as the Commission shall determine, including proposing organization, coordination, planning, management arrangements, procedures, rules and regulations—

(1) related to section 263; or

(2) related to any other areas the commission unanimously votes to be relevant to its mandate to recommend reforms to strengthen ethical safeguards in Congress.

SEC. 266. POWERS OF COMMISSION.

(a) HEARINGS AND EVIDENCE.—The Commission or, on the authority of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out this title hold such hearings and sit and act at such times and places, take such testimony, receive such evidence, administer such oaths.

(b) OBTAINING INFORMATION.—Upon request of the Commission, the head of any agency or instrumentality of the Federal Government shall furnish information deemed necessary by the panel to enable it to carry out its duties.

(c) LIMIT ON COMMISSION AUTHORITY.—The Commission shall not conduct any law enforcement investigation, function as a court of law, or otherwise usurp the duties and responsibilities of the ethics committee of the House of Representatives or the Senate.

SEC. 267. ADMINISTRATION.

(a) COMPENSATION.—Except as provided in subsection (b), members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission.

(b) TRAVEL EXPENSES AND PER DIEM.—Each member of the Commission shall receive travel expenses and per diem in lieu of subsistence in accordance with sections 5702 and 5703 of title 5, United States Code.

(c) STAFF AND SUPPORT SERVICES.—

(1) STAFF DIRECTOR.—

(A) APPOINTMENT.—The Chair (or Co-Chairs) in accordance with the rules agreed upon by the Commission shall appoint a staff director for the Commission.

(B) COMPENSATION.—The staff director shall be paid at a rate not to exceed the rate established for level V of the Executive Schedule under section 5315 of title 5, United States Code.

(2) STAFF.—The Chair (or Co-Chairs) in accordance with the rules agreed upon by the Commission shall appoint such additional personnel as the Commission determines to be necessary.

(3) APPLICABILITY OF CIVIL SERVICE LAWS.—The staff director and other members of the staff of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall 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.

(4) EXPERTS AND CONSULTANTS.—With the approval of the Commission, the staff director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(d) PHYSICAL FACILITIES.—The Architect of the Capitol, in consultation with the appropriate entities in the legislative branch, shall locate and provide suitable office space for the operation of the Commission on a nonreimbursable basis. The facilities shall serve as the headquarters of the Commission and shall include all necessary equipment and incidentals required for the proper functioning of the Commission.

(e) ADMINISTRATIVE SUPPORT SERVICES AND OTHER ASSISTANCE.—

(1) IN GENERAL.—Upon the request of the Commission, the Architect of the Capitol and the Administrator of General Services shall provide to the Commission on a nonreimbursable basis such administrative support services as the Commission may request.

(2) ADDITIONAL SUPPORT.—In addition to the assistance set forth in paragraph (1), departments and agencies of the United States may provide the Commission such services, funds, facilities, staff, and other support services as the Commission may deem advisable and as may be authorized by law.

(f) USE OF MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as Federal agencies and shall, for purposes of the frank, be considered a commission of Congress as described in section 3215 of title 39, United States Code.

(g) PRINTING.—For purposes of costs relating to printing and binding, including the cost of personnel detailed from the Government Printing Office, the Commission shall be deemed to be a committee of the Congress.

SEC. 268. SECURITY CLEARANCES FOR COMMISSION MEMBERS AND STAFF.

The appropriate Federal agencies or departments shall cooperate with the Commission in expeditiously providing to the Commission members and staff appropriate security clearances to the extent possible pursuant to existing procedures and requirements, except that no person shall be provided with access to classified information under this title without the appropriate security clearances.

SEC. 269. COMMISSION REPORTS; TERMINATION.

(a) ANNUAL REPORTS.—The Commission shall submit—

(1) an initial report to Congress not later than July 1, 2007; and

(2) annual reports to Congress after the report required by paragraph (1);

containing such findings, conclusions, and recommendations for corrective measures as have been agreed to by a majority of Commission members.

(b) REPORT REGARDING POLITICAL CONTRIBUTIONS.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Commission shall submit a report to Congress detailing the number, type, and quantity of contributions made to Members of the Senate or the House of Representatives during the 30-month period beginning on the date that is 24 months before the date of enactment of the Acts identified in paragraph (2) by the corresponding organizations identified in paragraph (2).

(2) ORGANIZATIONS AND ACTS.—The report submitted under paragraph (1) shall detail the number, type, and quantity of contributions made to Members of the Senate or the House of Representatives as follows:

(A) For the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2066), any contribution made during the time period described in paragraph (1) by or on behalf of a political action committee associated or affiliated with—

(i) a pharmaceutical company; or

(ii) a trade association for pharmaceutical companies.

(B) For the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 (Public Law 109–8; 119 Stat. 23), any contribution made during the time period described in paragraph (1) by or on behalf of a political action committee associated or affiliated with—

(i) a bank or financial services company;

(ii) a company in the credit card industry; or

(iii) a trade association for any such companies.

(C) For the Energy Policy Act of 2005 (Public Law 109–58; 119 Stat. 594), any contribution made during the time period described in paragraph (1) by or on behalf of a political action committee associated or affiliated with—

(i) a company in the oil, natural gas, nuclear, or coal industry; or

(ii) a trade association for any such companies.

(D) For the Dominican Republic-Central America-United States Free Trade Agreement Implementation Act (Public Law 109–53; 119 Stat. 462), any contribution made during the time period described in paragraph (1) by or on behalf of a political action committee associated or affiliated with—

(i) the United States Chamber of Commerce, the National Association of Manufacturers, the Business Roundtable, the National Federation of Independent Business, the Emergency Committee for American Trade, or any member company of such entities; or

(ii) any other free trade organization funded primarily by corporate entities.

(3) AGGREGATE REPORTING.—The report submitted under paragraph (1)—

(A) shall not list the particular Member of the Senate or House of Representative that received a contribution; and

(B) shall report the aggregate amount of contributions given by each entity identified in paragraph (2) to—

(i) Members of the Senate during the time period described in paragraph (1) for the corresponding Act identified in paragraph (2); and

(ii) Members of the House of Representatives during the time period described in paragraph (1) for the corresponding Act identified in paragraph (2).

(4) DEFINITIONS.—In this subsection—

(A) the terms ''authorized committee'', ''candidate'', ''contribution'', ''political committee'', and ''political party'' have the meanings given such terms in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431); and

(B) the term ''political action committee'' means any political committee that is not—

(i) a political committee of a political party; or

(ii) an authorized committee of a candidate.

(c) ADMINISTRATIVE ACTIVITIES.—During the 60-day period beginning on the date of submission of each annual report and the final report under this section, the Commission shall—

(1) be available to provide testimony to committees of Congress concerning such reports; and

(2) take action to appropriately disseminate such reports.

(d) TERMINATION OF COMMISSION.—

(1) FINAL REPORT.—Five years after the date of enactment of this Act, the Commission shall submit to Congress a final report containing information described in subsection (a).

(2) TERMINATION.—The Commission, and all the authorities of this title, shall terminate 60 days after the date on which the final report is submitted under paragraph (1), and the Commission may use such 60-day period for the purpose of concluding its activities.

SEC. 270. FUNDING.

There are authorized such sums as necessary to carry out this title.

TITLE III—CONGRESSIONAL PENSION ACCOUNTABILITY

SEC. 301. SHORT TITLE.

This title may be cited as the ''Congressional Pension Accountability Act''.

SEC. 302. DENIAL OF RETIREMENT BENEFITS.

(a) IN GENERAL.—Section 8312(a) of title 5, United States Code, is amended—

(1) by striking ''or'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting ''; or'', and by inserting after paragraph (2) the following:

''(3) was convicted of an offense described in subsection (d), to the extent provided by that subsection.''; and

(2) by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ''; and'', and by inserting after subparagraph (B) the following:

''(C) with respect to the offenses described in subsection (d), to the period after the date of conviction.''.

(b) OFFENSES DESCRIBED.—Section 8312 of such title 5 is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following:

''(d) The offenses to which subsection (a)(3) applies are the following:

''(1) An offense within the purview of—

''(A) section 201 of title 18 (bribery of public officials and witnesses); or

''(B) section 371 of title 18 (conspiracy to commit offense or to defraud United States), to the extent of any conspiracy to commit an act which constitutes an offense within the purview of such section 201.

''(2) Perjury committed under the statutes of the United States or the District of Columbia in falsely denying the commission of any act which constitutes an offense within the purview of a statute named by paragraph (1), but only in the case of the statute named by subparagraph (B) of paragraph (1).

''(3) Subornation of perjury committed in connection with the false denial or false testimony of another individual as specified by paragraph (2).

An offense shall not be considered to be an offense described in this subsection except if or to the extent that it is committed by a Member of Congress (as defined by section 2106, including a Delegate to Congress).''.

(c) ABSENCE FROM UNITED STATES TO AVOID PROSECUTION.—Section 8313(a)(1) of such title 5 is amended by striking ''or'' at the end of subparagraph (A), by striking ''and'' at the end of subparagraph (B) and inserting ''or'', and by adding at the end the following:

''(C) for an offense described under subsection (d) of section 8312; and''.

(d) NONACCRUAL OF INTEREST ON REFUNDS.—Section 8316(b) of such title 5 is amended by striking ''or'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting ''; or'', and by adding at the end the following:

''(3) if the individual was convicted of an offense described in section 8312(d), for the period after the conviction.''.

SEC. 303. CONSTITUTIONAL AUTHORITY.

The Constitutional authority for this title is the power of Congress to make all laws which shall be necessary and proper as enumerated in Article I, Section 8 of the United States Constitution, and the power to ascertain compensation for Congressional service under Article I, Section 6 of the United States Constitution.

SEC. 304. EFFECTIVE DATE.

This title, including the amendments made by this title, shall take effect on January 1, 2009 and shall apply with respect to convictions for offenses committed on or after the date of enactment of this Act.

TITLE IV—GENERAL PROVISIONS

SEC. 401. KNOWING AND WILLFUL FALSIFICATION OR FAILURE TO REPORT.

Section 104(a) of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) in paragraph (1), as so designated, by striking ''$10,000'' and inserting ''$50,000''; and

(3) by adding at the end the following:

''(2)(A) It shall be unlawful for any person to knowingly and willfully falsify, or to knowingly and willingly fails to file or report, any information that such person is required to report under section 102.

''(B) Any person who violates subparagraph (A) shall be fined under title 18, United States Code, imprisoned for not more than 1 year, or both.''.

SEC. 402. PUBLIC AVAILABILITY OF SENATE COMMITTEE AND SUBCOMMITTEE MEETINGS.

(a) IN GENERAL.—Paragraph 5(e) of rule XXVI of the Standing Rules of the Senate is amended by—

(1) by inserting after ''(e)'' the following: ''(1)''; and

(2) by adding at the end the following:

''(2) Except with respect to meetings closed in accordance with this rule, each committee and subcommittee shall make publicly available through the Internet a video recording, audio recording, or transcript of any meeting not later than 14 business days after the meeting occurs.''.

(b) EFFECTIVE DATE.—This section shall take effect October 1, 2007.

SEC. 403. FREE ATTENDANCE AT A BONA FIDE CONSTITUENT EVENT.

(a) IN GENERAL.—Paragraph 1(c) of rule XXXV of the Senate Rules is amended by adding at the end the following:

''(24) Subject to the restrictions in subparagraph (a)(2), free attendance at a bona fide constituent event permitted pursuant to subparagraph (h).''.

(b) IN GENERAL.—Paragraph 1 of rule XXXV of the Senate Rules is amended by adding at the end the following:

''(h)(1) A Member, officer, or employee may accept an offer of free attendance in the

Member's home State at a convention, conference, symposium, forum, panel discussion, dinner event, site visit, viewing, reception, or similar event, provided by a sponsor of the event, if—

''(A) the cost of meals provided the Member, officer or employee does not exceed $50;

''(B)(i) the event is sponsored by bona fide constituents of, or a group that consists primarily of bona fide constituents of, the Member (or the Member by whom the officer or employee is employed); and

''(ii) the event will be attended primarily by a group of at least 5 bona fide constituents of the Member (or the Member by whom the officer or employee is employed) provided that an individual registered to lobby under the Federal Lobbying Disclosure Act shall not attend the event; and

''(C)(i) the Member, officer, or employee participates in the event as a speaker or a panel participant, by presenting information related to Congress or matters before Congress, or by performing a ceremonial function appropriate to the Member's, officer's, or employee's official position; or

''(ii) attendance at the event is appropriate to the performance of the official duties or representative function of the Member, officer, or employee.

''(2) A Member, officer, or employee who attends an event described in clause (1) may accept a sponsor's unsolicited offer of free attendance at the event for an accompanying individual if others in attendance will generally be similarly accompanied or if such attendance is appropriate to assist in the representation of the Senate.

''(3) For purposes of this paragraph, the term 'free attendance' has the same meaning as in subparagraph (d).

SEC. 404. PROHIBITION ON FINANCIAL GAIN FROM EARMARKS BY MEMBERS, IMMEDIATE FAMILY OF MEMBERS, STAFF OF MEMBERS, OR IMMEDIATE FAMILY OF STAFF OF MEMBERS.

Rule XXXVII of the Standing Rules of the Senate is amended by adding at the end the following:

''15. (a) No Member shall use his official position to introduce, request, or otherwise aid the progress or passage of a congressional earmark that will financially benefit or otherwise further the pecuniary interest of such Member, the spouse of such Member, the immediate family member of such Member, any employee on the staff of such Member, the spouse of an employee on the staff of such Member, or immediate family member of an employee on the staff of such Member.

''(b) For purposes of this paragraph—

''(1) the term 'immediate family member' means the son, daughter, stepson, stepdaughter, son-in-law, daughter-in-law, mother, father, stepmother, stepfather, mother-in-law, father-in-law, brother, sister, stepbrother, or stepsister of a Member or any employee on the staff (including staff in personal, committee and leadership offices) of a Member; and

''(2) the term 'congressional earmark' means—

''(A) a provision or report language included primarily at the request of a Member, Delegate, Resident Commissioner, or Senator providing, authorizing or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific State, locality or Congressional district, other than through a statutory or administrative formula-driven or competitive award process;

''(B) any revenue-losing provision that—

''(i) provides a Federal tax deduction, credit, exclusion, or preference to 10 or fewer beneficiaries under the Internal Revenue Code of 1986; and

''(ii) contains eligibility criteria that are not uniform in application with respect to potential beneficiaries of such provision;

''(C) any Federal tax provision which provides one beneficiary temporary or permanent transition relief from a change to the Internal Revenue Code of 1986; and

''(D) any provision modifying the Harmonized Tariff Schedule of the United States in a manner that benefits 10 or fewer entities.''.

SEC. 405. AMENDMENTS AND MOTIONS TO RECOMMIT.

Paragraph 1 of Rule XV of the Standing Rules of the Senate is amended to read as follows:

''1. (a) An amendment and any instruction accompanying a motion to recommit shall be reduced to writing and read and identical copies shall be provided by the Senator offering the amendment or instruction to the desks of the Majority Leader and the Minority Leader before being debated.

''(b) A motion shall be reduced to writing, if desired by the Presiding Officer or by any Senator, and shall be read before being debated.''.

SEC. 406. CONGRESSIONAL TRAVEL PUBLIC WEBSITE.

(a) IN GENERAL.—Not later than January 1, 2008, the Secretary of the Senate and the Clerk of the House of Representatives shall each establish a publicly available website without fee or without access charge, that contains information on all officially related congressional travel that is subject to disclosure under the gift rules of the Senate and the House of Representatives, respectively, that includes—

(1) a search engine;

(2) uniform categorization by Member, dates of travel, and any other common categories associated with congressional travel; and

(3) all forms filed in the Senate and the House of Representatives relating to officially-related travel referred to in paragraph (2), including the ''Disclosure of Member or Officer's Reimbursed Travel Expenses'' form in the Senate.

(b) EXTENSION AUTHORITY.—If the Secretary of the Senate or the Clerk of the House of Representatives is unable to meet the deadline established under subsection (a), the Committee on Rules and Administration of the Senate or the Committee on Rules of the House of Representatives may grant an extension of such date for the Secretary of the Senate or the Clerk of the House of Representatives, respectively.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

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

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

PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 41, just received from the House and at the desk.

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

The clerk will report.

The legislative clerk read as follows:

A House concurrent resolution (H. Con. Res. 41) providing for a conditional adjournment of the House of Representatives.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DURBIN. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, without any intervening action or debate.

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

The concurrent resolution (H. Con. Res. 41) was agreed to.

HOUSE PAGE BOARD REVISION ACT OF 2007

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of H.R. 475, received from the House and at the desk.

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

The legislative clerk read as follows:

A bill (H.R. 475) to revise the composition of the House of Representatives Page Board to equalize the number of members representing the majority and minority parties and to include a member representing the parents of pages and a member representing former pages, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. DURBIN. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD as if read, with no intervening action.

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

The bill (H.R. 475) was ordered to a third reading, was read the third time, and passed.

ORDER FOR RECESS AND ORDERS FOR WEDNESDAY, JANUARY 24, 2007

Mr. DURBIN. Mr. President, I ask unanimous consent that the Senate now stand in recess until 8:30 p.m. this evening and that at 8:40 p.m., Members then proceed as a body to the House of Representatives for the State of the Union Address; that upon the conclusion of the address, the Senate then stand adjourned until 9:30 a.m., Wednesday, January 24; that on Wednesday, following the prayer and pledge, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day; that there then be a period for the transaction of morning business until 10:30 a.m., with the time equally divided and controlled between the majority and Republican leaders or their

designees, with Senators permitted to speak therein for up to 10 minutes each; that the majority control the first half and the Republicans the second portion; that at 10:30 a.m., there be an hour for debate prior to the cloture vote on the Gregg amendment, with the time equally divided and controlled between the majority and Republican leaders or their designees; that at 11:30 a.m., the Senate proceed to vote on the motion to invoke cloture on the Gregg amendment; and that Members have until 10:30 a.m. to file second-degree amendments.

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

PROGRAM

Mr. DURBIN. Mr. President, tomorrow morning, we will have a period for the transaction of morning business and then an hour for debate prior to the cloture vote. The cloture vote on the Gregg amendment will occur at 11:30 a.m. Also, Members will have until 10:30 a.m. to file second-degree amendments.

RECESS

Mr. DURBIN. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess under the previous order.

There being no objection, the Senate, at 5:29 p.m., recessed until 8:30 p.m. and reassembled when called to order by the Presiding Officer (Mr. BROWN).

JOINT SESSION OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 110–____)

The PRESIDING OFFICER. The Senate will proceed to the Hall of the House of Representatives to hear the address by the President of the United States.

Thereupon, the Senate, preceded by the Deputy Sergeant at Arms, Drew Willison, the Secretary of the Senate, Nancy Erickson, and the Vice President of the United States, RICHARD B. CHENEY, proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, George W. Bush.

(The address delivered by the President of the United States to the joint session of the two Houses of Congress is printed in the proceedings of the House of Representatives in today's RECORD.)

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

At the conclusion of the joint session of the two Houses and in accordance with the order previously entered, at 10:09 p.m., the Senate adjourned until Wednesday, January 24, 2007, at 9:30 a.m.

EXTENSIONS OF REMARKS

CONGRESSIONAL PENSION ACCOUNTABILITY ACT

SPEECH OF

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 2007

Mr. BILBRAY. Mr. Speaker, thank you for the opportunity to speak on this very important issue. As you know, my constituents have been directly impacted by the very issue we are voting on today. The previous Congressman from my great Congressional district, Randy Cunningham, used this Chamber and his position to line his pockets with bribe money from lobbyists. He violated the trust of his constituents and his colleagues with his behavior, tarnishing this institution. Unfortunately, the taxpayers will be forced to pay a sizeable pension to him every year.

I think this legislation is an important first step in denying pensions to Members of Congress who abuse the trust of the people. However, I want to note that this legislation did not go far enough.

First, it has a 2-year implementation window, which would allow any Member convicted over the next two years to maintain their pension. I think this is the wrong message to send. If it was constitutional, I would support retroactively taking away the pensions of convicted felons such as Dan Rostenkowski and Randy Cunningham.

Additionally, I think H.R. 476 does not go far enough in detailing the types of crimes that would trigger these provisions. That is why I am a strong supporter and cosponsor of H.R. 14, sponsored by Congressman MARK KIRK. His legislation, the Congressional Integrity Act, would deny a Congressional pension to any Member convicted, and denied a final appeal, for a much more expansive number of crimes directly related to the official duties of a Member of Congress.

This legislation is long overdue. I was proud to support a similar measure, H.R. 4011, in the 104th Congress along with many of my Democratic and Republican colleagues, including current Speaker NANCY PELOSI and our former Speaker DENNIS HASTERT.

I call on Speaker PELOSI to widen the scope of this legislation to help us regain the trust of the American people and withhold the pensions of those who violated that trust.

Furthermore, I call on Speaker PELOSI to consider important legislation to develop stricter, more transparent regulations on pork-barrel spending, also known as ''airdropped'' earmarking. I was proud to introduce legislation that would ban the practice of slipping earmarks into Conference reports that have not been approved by either the House or the Senate previously. These items do not have the benefit of being debated in Committee or on the floor of the House of Representatives. By requiring the Conference Committees to only consider items that were passed by one of the Chambers; we can ensure that all projects were examined in the light of day, not the backrooms of Congress.

I ask for consideration of this important provision.

RECOGNIZING MAYOR CURT ANDRE

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. RADANOVICH. Madam Speaker, I rise today to recognize the Honorable Curt Andre for his many years of service and leadership to the City of Turlock and greater Central Valley. Mayor Andre has served as the Mayor of Turlock for an unprecedented seventeen years and as the Chairman of Turlock's Planning Commission for the previous eight years.

Mayor Andre was born and raised in Turlock and—after earning a degree in optometry from the University of California at Berkeley—he returned to Turlock to start his profession. Mayor Andre has since served as the President of Statesmen of Stanislaus, the President of Turlock's Active 20–30 Club, a member of the United States Conference of Mayors, and a member of the California State University Advisory Board.

In addition to these roles, Mayor Andre has served as the Chairman of the Turlock Planning Commission and Mayor of Turlock for a total of twenty-nine. Overseeing the growth of a town from roughly 30,000 to over 70,000, Mayor Andre has been a much needed element of consistency in Turlock's time of transition.

For his commitment to a better quality of life in Turlock, Mayor Andre has received the Paul Harris Award, the Distinguished Public Service Award from Rotary District 5220, the 2004 Citizen of the Year Award from the Turlock Chamber of Commerce, and the 2006 Outstanding Community Leader from the California State University at Stanislaus.

Madam Speaker, I rise to recognize Mayor Andre for his many years of service and dedication to the residents of Turlock. I urge my colleagues to join me in wishing him many years of continued happiness and success.

PERSONAL EXPLANATION

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. POMEROY. Madam Speaker, on January 22, 2007, due to flight delays, I missed rollcall votes Nos. 43, 44, 45, and 46. Had I been present, I would have voted in the following manner: Rollcall No. 43, yea; rollcall No. 44, yea; rollcall No. 45, yea; rollcall No. 46, yea.

HONORING THE CONTRIBUTIONS OF CATHOLIC SCHOOLS

SPEECH OF

HON. JOE DONNELLY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 2007

Mr. DONNELLY. Mr. Speaker, today I am proud to join my colleagues in the House of Representatives in unanimously passing H. Res. 51 honoring the contributions of America's Catholic Schools.

As a product of Catholic schools, I know first-hand the value of a Catholic education. Through grade school, high school, college, and law school, my Catholic schooling not only prepared me for academic success, but also taught me to serve my community by sharing my Catholic values. Thus, it is no surprise that a Catholic education also played a critical role in the intellectual and spiritual growth of my own children as well.

Today, America's Catholic schools are widely recognized among the best academic institutions in the country. From pre-schools to graduate schools, Catholic intuitions prepare nearly 2.4 million young men and women for meaningful lives rooted in spirituality, respect for others, and a sense of social responsibility.

It gives me great confidence to know that America's Catholic schools are preparing a new generation equipped with the knowledge and values to serve our communities and to meet the many challenges present in our world. On behalf of myself and my family, I want to commend the thousands of dedicated servants that make Catholic education a foundation for a better today and tomorrow.

RECOGNIZING THE 40TH ANNIVERSARY OF MINNESOTA PUBLIC RADIO

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Ms. MCCOLLUM of Minnesota. Madam Speaker, it is my great pleasure to rise today to recognize Minnesota Public Radio's 40 years of broadcasting excellence.

Minnesota Public Radio—or simply ''MPR'' as it is known to its many members and fans—began humbly on January 22nd, 1967, as a small radio station at Saint John's University in Collegeville, Minnesota. Thanks to the extraordinary vision and dogged determination of then-recent graduate Bill Kling (now MPR President) and future college president Father Colman Barry, that little college radio station has grown into a 37-station network that serves nearly 800,000 every day with its programming for radio, Internet and in-person audiences. Nationally, MPR reaches more than 14 million people through original programs produced by American Public Media.

Throughout the years, MPR has earned distinction as one of the nation's finest public radio systems, offering world-class news and cultural programming. Its vision has always included strengthening radio nationally. In 1970, MPR helped provide the leadership to found National Public Radio, with President Kling serving on NPR's first board of directors. In 1982, MPR launched American Public Radio and its corporate parent (later renamed American Public Media), which distributes Minnesota Public Radio programming, to affiliate stations nationwide.

One of MPR's most formative years was 1974, when a talented young writer who was working as a classical music host at the station began a regular Saturday night variety show. The host was Garrison Keillor, the show ''A Prairie Home Companion,'' and the rest was history. From its home in St. Paul's Fitzgerald Theater, and on the road, ''A Prairie Home Companion'' continues to entertain listeners every Saturday night on MPR and on public radio stations across America.

MPR has come a long way since its college radio station beginnings. It continues to expand and enhance its programming to serve a diverse, dynamic and growing audience. In recent years, it has launched ''The Current,'' a critically acclaimed music service helping to showcase local talent in addition to its news and information and classical music services. In 2006, MPR completed a $46 million capital campaign that has enlarged its St. Paul headquarters, adding to the network's ability to serve the public through high-quality programming.

MPR news and information earns its reputation as ''the most trusted news source'' for Minnesotans daily with its thorough and thoughtful coverage and timely reporting. This trust is exemplified through MPR's partnership with the State of Minnesota to maintain and improve the technical infrastructure to the state's Emergency Alert System (EAS). In addition, MPR serves as the backbone of the state's AMBER Alert child abduction warning system.

I join my fellow Minnesotans who are so proud of MPR's commitment to its audience. We rely on MPR for news without spin, for high quality music and cultural programming. Most of all, we appreciate the people who make MPR great. They have built a strong foundation that will ensure that MPR will be serving listeners for decades to come.

Madam Speaker, please join me in commending Minnesota Public Radio for its contributions to Minnesota and the nation throughout its first 40 years on the air.

MS. NORA ROCK

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. ORTIZ. Madam Speaker, I rise to commend a pioneer of Brownsville, Texas, on the occasion, of her 105th birthday.

Nora Rock will celebrate that birthday tomorrow; and her name belies her strength. She is a rock. That also describes her faith in the Lord; He is her rock.

Her family came to Brownsville in the aftermath of the Civil War. Her grandfather was part of the Union Army occupying Brownsville in the 1860s.

She is an amazing woman, a quiet, simple lady whose love in life is service to others. She believes her longevity is a gift from God, one which she repays by spending her long life helping others in her community.

She remembers going to military band concerts at Fort Brown—the Army fort around which Brownsville grew—as a teenager during World War I, and remembers the daily cannon firings during those troubled times.

Ms. Rock is a very nice and humble lady who is wholly devoted to her faith and the South Texas community. Her way is to help others in a private way, not a public way to win accolades. The look of happiness in the eyes of another is all the tribute she would want or need.

She is an extraordinary American who has seen the history of our Nation in the 20th Century from the front row. She says she is still so vibrant after 100 years because the Lord has seen fit to keep her on the earth, but also—she says with a twinkle in her eyes—because she loves chocolate.

Madam Speaker, I would imagine she would not have expected for a woman to occupy the Speaker's Chair for the U.S. House of Representatives during her lifetime; we are both glad to have the opportunity to see you there.

I ask Speaker PELOSI, and our colleagues, to join me in commending the long and beautiful life of Nora Rock.

''SUPPORT OUR TROOPS'' DAY

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. KNOLLENBERG. Madam Speaker, one year ago I came across a young high school student who had a brilliant and patriotic idea. Alexandra McGregor set out to establish a ''Support Our Troops'' Day and for the second year in a row I am introducing a resolution inspired by Alexandra.

A year ago, my office got word of Alexandra's extraordinary effort to contact, local, State, and Federal officials in support of a national ''Support Our Troops'' Day. Alexandra even went as far as to write to one school in each State encouraging them to participate in a moment of silence on March 26th, her grandfather's birthday, who was an American soldier.

Every year, this House celebrates Memorial Day; in a month we will take time out of the schedule to celebrate our Presidents, and further down the road we will honor our veterans; but never do we honor our active-duty military men and women who are protecting our freedom today.

With inspiration from Alexandra, my resolution encourages Americans to participate in a moment of silence on March 26th to think about those who are serving this country both at home and abroad.

COLLEGE STUDENT RELIEF ACT OF 2007

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. ROGERS of Michigan. Madam Speaker, I rise today to express concerns with the College Student Relief Act, which passed the House on January 17, 2007.

As the author, while a Michigan State Senator, of legislation creating the Michigan Education Savings Plan, my commitment to helping families afford college has been a longstanding priority of my public service tenure. In fact, this program has helped thousands of Michigan families save for college expenses as well over 100,000 accounts have been opened since the program's inception.

Unfortunately, for many families, their ability to save cannot keep pace with the rising costs of post-secondary education. For these families, student loans represent an integral piece to the higher education puzzle, which is why we, as policymakers, must ensure that our actions meet the twin goals of reducing the cost of, and increasing access to, a college education,

The College Student Relief Act represents a short-term solution for student loan relief for a very specific group of student borrowers. This legislation reduces the student loan rate on only subsidized Stafford loans. It does not reduce the rates of undergraduate students borrowing from unsubsidized Stafford loans, nor does it provide relief to graduate students. Furthermore, this legislation does not permanently reduce student loan rates but cuts rates over five years, after which point they will go back to a higher interest rate, in effect providing only six months of relief.

Lastly, I believe students must be provided with borrowing choices, and they should be able to borrow from lenders who provide the most affordable option for them and their families. A competitive student loan marketplace is central to lowering the longterm costs associated with higher education

Rest assured, I will continue to work in Congress, must work, to help make college more affordable and attainable for every American family.

IN RECOGNITION OF THE RETIREMENT OF MR. PAT LANE

HON. KAY GRANGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Ms. GRANGER. Madam Speaker, I rise today to congratulate Mr. Pat Lane, on the occasion of his retirement from Lockheed Martin Aeronautics Company after more than 40 years of dedicated service. Pat will be greatly missed, and I join his many friends and coworkers with whom he served in wishing him the best of luck in the next phase of his life.

Pat began his long and distinguished career with then-General Dynamics Fort Worth Division in 1966. He was elected by his peers as the union representative for his department, a position he served in until 1974. He was then elected to the office of Business Representative for International Association of Machinists and Aerospace Workers, District Lodge 776.

Since 1978, Pat has served as President and Directing Business Representative for the District Lodge. In this role, Pat has had the responsibility of negotiating multiple labor agreements and enforcing 61 labor agreements with employers. He also served 10,000 members representing nineteen local lodges in the District. Finally, he had the full responsibility of overseeing and supervising a full staff of elected business representatives and office employees.

Particularly noteworthy is Pat's work in establishing a Joint Apprenticeship Program between General Dynamics and District Lodge 776, which has continued under Lockheed Martin. This model program successfully trained highly skilled aircraft tooling personnel with a high completion rate. I am most familiar with Pat's outstanding work with the Community Learning Center in Fort Worth. Currently, he serves on the Board of Directors for the Community Learning Center which provides skills training to unemployed, underemployed and displaced workers.

Pat Lane has also been extremely active in the Fort Worth community. He served on the Texas Council on Workforce and Economic Competitiveness for four years. In addition, he served on the Board of Directors for the Tarrant County United Way as well as the Tarrant County Junior College as a labor consultant. Furthermore, he has devoted his time as a youth baseball coach and Boy Scouts Leader.

Madam Speaker, I am honored to have had this opportunity to recognize the dedication of Mr. Pat Lane to the Fort Worth community. As he retires, I join his friends and family in wishing him a long and happy retirement. He has certainly earned it.

MOURNING THE PASSING OF KEELEY DORSEY, A STUDENT AT THE UNIVERSITY OF SOUTH FLORIDA

HON. KATHY CASTOR

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Ms. CASTOR. Madam Speaker, I rise today with great sadness to recognize the life of a talented student at the University of South Florida, Keeley Dorsey. I know my colleagues join with me in extending their sincere condolences to Keeley's family and friends who knew him well and loved him deeply.

The USF family lost a valued member of its community last Wednesday afternoon. Unfortunately, during a routine workout session with his fellow football team members, Keeley passed out, and efforts to revive him were unsuccessful. He was only 19 years old, but even during his short time among us, Keeley made a huge impact on those around him and set a sterling example for what hard work and perseverance can achieve.

Keeley was a star football player at Lincoln High School in Tallahassee, strong enough to play three positions—quarterback, tailback and wide receiver. As he excelled on the football field, he worked just as diligently on his academics and gained admission to USF. In Keeley's first football game last fall, he ran 52 yards for a touchdown. Over the course of the season, his talent on the field showed, and coaches were certain that Keeley, with his positive attitude and outstanding leadership skills, would be a cornerstone of the next season's football team. He had even been selected to be a host for visiting high school recruits, a duty usually carried out only by upperclassmen.

As I join with Keeley's family and friends in mourning a life lost so young, I know that they are proud of him and of the accomplishments he made in his 19 years. I know the University of South Florida family will remember him always.

TRIBUTE TO UNITED STATES COAST GUARD RESERVIST SPRING DE HAVILAND

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. WAXMAN. Madam Speaker, I rise to acknowledge and thank retiring United States Coast Guard Reserve Public Affairs Specialist First Class Spring de Haviland for her exemplary service to our Nation.

Specialist First Class de Haviland retired from the United States Coast Guard Reserves on January 11, 2007 after 30 years of service that began on January 26, 1977. She served at a number of duty stations, including San Pedro, California, Valdez, Alaska, Grand Haven, Michigan, Kodiak Island, Alaska, Washington, D.C. United States Coast Guard Headquarters, and Washington Island, Wisconsin.

During her distinctive career, Ms. de Haviland earned 6 Good Conduct Medals, 6 Meritorious Service Medals, a Unit Commendation Medal, and a Special Operations Medal. She received 4 awards for exemplary service from the U.S. Department of Defense Information School for her work as a public affairs, media relations, community relations and cultural affairs relations instructor. Among her many projects, she created, produced and distributed worldwide to the military Persian Excursion, a humorous video featuring Bob Hope, and directed the Two Hundred Year USCG Anniversary celebration in Grand Haven, Michigan. Ms. de Haviland was also recognized as Outstanding Enlistee of the Year by her USCGR group.

I ask my colleagues to join me in recognizing Specialist First Class de Haviland for her 30 years of dedicated service. Our Nation owes her a debt of gratitude for her commitment and record of accomplishments.

CONGRATULATING THE 2007 NAACP HUMANITARIAN OF THE YEAR HON. CAROLYN Q. COLEMAN

HON. G.K. BUTTERFIELD

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. BUTTERFIELD. Madam Speaker, I rise today to honor a great woman in the African-American community and a visionary leader in North Carolina, The Honorable Carolyn Q. Coleman. Mrs. Coleman will receive the 2007 NAACP Humanitarian of the Year Award at the 23rd Annual NAACP Humanitarian of the Year Banquet on Saturday, January 27 in Durham, North Carolina. Her work over the last year is inspiring but what truly makes her remarkable is the scope of her deeds over a lifetime.

Carolyn Quilloin Coleman is a native of Savannah, Georgia, where as a young woman she became involved in civil rights and human rights issues with the local NAACP Youth Council. After a 9 year ban of the NAACP in Alabama, Coleman joined the late Althea Simmons in reorganizing units in that State. She currently serves as Secretary of the National Board and Assistant Secretary of the National Association. On the State level, Mrs. Coleman is the First Vice President of the North Carolina State Conference and is a member of the Greensboro Branch's Executive Committee.

Mrs. Coleman graduated from Savannah State College with a Bachelor of Science degree in History and minors in Economics and Sociology. She pursued her Masters Degree in Adult Education at North Carolina A&T and has also studied at the Memphis Theological Seminary in Tennessee.

Professionally, Mrs. Coleman served as the Special Assistant to Governor Jim Hunt for eight years, providing guidance on issues of the minority community. In her forty-year relationship with the NAACP, Mrs. Coleman has served with distinction as a Regional Youth Director, Alabama State Director, Southeast Voter Education Director and the North Carolina State Director.

Mrs. Coleman led the North Carolina State Conference in filing 13 lawsuits challenging the at-large elections of Judges, County Commissioners, City Council and School Board members. Her efforts led to redistricting in the State, which made possible the election of two African-American Members of Congress in the 1990s, the first since Reconstruction. In total, the results of those suits led to the election of ten African-American Superior Court Judges and over 100 new African-American officials.

In 2006, Mrs. Coleman won re-election to the Guilford County Board of Commissioners with 74 percent of the vote and was elected the first African-American woman to chair the Board. As a Commissioner, Mrs. Coleman is a liaison on several boards, including the Greensboro Sports Commission, the Greensboro Convention and Visitors Bureau, the Piedmont Authority for Regional Transportation, the Piedmont Triad Council of Governments and the Work First Planning Board, in addition to her responsibilities on the Board's Budget Process Committee, Community Based Organizations Study Committee and School Budget Committee.

Despite her years of continued service, Mrs. Coleman still makes time for her friends—as a member of Delta Sigma Theta Sorority, her family—as the mother of one son, Carlton, and faith—as a communicant of the New Zion Baptist Church in Greensboro.

I have had the privilege of knowing Mrs. Coleman for more than twenty years as a family friend and a colleague in the struggle for racial justice. There is no question that her work has made a difference in the lives of many North Carolinians.

Madam Speaker, I ask my colleagues to join me and the delegates to the NAACP Conference in paying tribute to this courageous

and dedicated woman who has worked to foster and continue our Nation's founding principle—that all men and women are created equal.

THE CLEAN WATER STATE REVOLVING LOAN FUND

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, it was brought to my attention that on last Friday—during the customary exchange between Majority Leader HOYER and Minority Whip BLUNT—the gentleman from Missouri had some questions regarding the "substantive" nature of my subcommittee's business on last Friday.

As the recently elected Chairwoman of the Water Resources and Environment Subcommittee, I have come to the floor to address the gentleman's inquiries.

From the onset, I want to make it clear to the gentleman from Missouri that I empathize with his disgruntlement over our current work schedule.

However, I also want the gentleman to understand that I will not sit idly by and allow the escalation of the gentleman's disgruntlement to come at the expense of my subcommittee and the good work of the committee members.

The Water Resources Subcommittee has the broadest agenda of any of the Transportation Subcommittees, covering Corps of Engineers' projects and authorities, EPA's Clean Water and Superfund Programs, Brownfields, the Tennessee Valley Authority, the Saint Lawrence Seaway, and programs carried out by the National Oceanic and Atmospheric Administration and the Natural Resources Conservation Service.

Last Friday, with a standing room only crowd, the Subcommittee returned to some of the unfinished work of the previous, Republican-led Congress—particularly, reauthorization of the highly popular Clean Water State Revolving Loan Fund program.

This is the same program that, despite bipartisan efforts, was blocked from floor consideration by Republican leadership last Congress due to various objections to certain wage provisions.

The Clean Water State Revolving Loan Fund program is a powerful partnership between EPA and the States. It allows States the flexibility to provide funding for projects that will address their highest-priority water quality needs.

The program allows Federal, State, and local agencies to leverage limited dollars. Moreover, loans for such water infrastructure projects also tend to stimulate local economies by encouraging commercial development and construction and creating good paying jobs.

As a result of this, the Water Resources & Environment Subcommittee will be moving forward on a pro-environment and pro-infrastructure agenda.

Over the coming weeks my subcommittee will be introducing legislation aimed at reauthorizing a series of long overdue Clean Water Act program provisions and water infrastructure bills aimed at restoring and maintaining confidence in our Nation's water resources.

Regrettably, over the past six years the current Administration has presided over the slow, but steady, dismantling of the public's confidence in our water resources. Inadequate budgets, the easing of regulatory safeguards, and misguided priorities have brought about a dramatic reversal in national water quality trends.

We have not enacted a Water Resources Development Act since this President has been in office. This is ridiculous!

Adequate investment in our Nation's drinking water infrastructure has also been woefully neglected. Two years ago the EPA conducted a survey of the needs of public water systems. The survey estimates that public water systems need to invest $276 billion on drinking water infrastructure improvements over twenty years to comply with drinking water regulations and to ensure safe water.

Without a renewed commitment towards investment from all parties, in less than a generation, the U.S. could lose much of the gains made possible by the Clean Water Act.

State and local governments can not tackle these enormous challenges alone. The Federal Government must be a willing and able partner and the time to act is now. The Federal Government must renew its commitment to ensure the chemical, physical, and biological integrity of our Nation's water supply.

We owe future generations no less.

COLLEGE STUDENT RELIEF ACT OF 2007

SPEECH OF

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 17, 2007

Mr. BILBRAY. Madam Speaker, I rise in opposition to H.R. 5, the College Student Relief Act of 2007.

Make no mistake; H.R. 5 is a bad bill which does not live up to its title. In fact, this legislation provides no assistance to help future and current students attend college. Instead of helping increase attendance, this legislation seeks to reduce interest rates for those making payments on their student loans. This is a worthy goal. But this legislation accomplishes this by taxing private lenders, ultimately reducing the number of lenders willing to participate in the student loan program.

H.R. 5 provides a short-term reduction in interest rates for students who received federally guaranteed subsidized loans while they were attending college. In order to pay for this required rate reduction, this legislation forces private lenders to reduce their rates below market value. Additionally, this legislation doubles the tax imposed on these lenders by increasing the lender origination fee from .05 percent to 1 percent.

Over the course of this debate we have heard stories from Members of Congress about how the ability to go to school greatly added to their quality of life. I agree wholeheartedly that there are numerous benefits to attending college. However, not one of those Members of Congress would have had greater access to college if H.R. 5 had been in effect when they were undergraduates, because this bill does nothing for aspiring students.

Finally, I think it is important to note that we have a very competitive private marketplace providing student loans. When the government places mandates reducing their ability to compete—we all lose by driving competitors out of the marketplace. H.R. 5 directly targets the Federal family education Loan industry, dealing a devastating blow to the industry that has helped millions of students go to college.

I urge my colleagues. to oppose this legislation and work toward a bill that will actually help college students realize their goals of furthering their education.

RECOGNIZING MRS. MICKEY PEABODY

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. RADANOVICH. Madam Speaker, I rise today to recognize Mrs. Mickey Peabody for her many years of service and leadership to the City of Oakdale and the community of Stanislaus County. On January 19th, friends and colleagues will hold an event to express sincere gratitude and to congratulate Mickey as she receives the Lifetime Achievement Award from the Oakdale Chamber of Commerce.

In addition to her history of great community involvement, Mickey will be thanked for her years of devotion to the Stanislaus County Commission for Women, Childcare Planning Council, Mental Health Board, Commission on Aging, Citizens Against Substance Abuse, Oakdale Fights Back, and the California Senior Legislature—along with many other agencies and commissions.

In addition to this Lifetime Achievement Award, Mickey has received awards that include Outstanding Woman of the Year, Outstanding Senior Citizen, and Woman of Distinction. Additionally, Mickey has earned a leadership award from the California Public Health Consortium and the National Center for Small Communities.

Mickey has a past filled with great instances of charity and compassion, and she will undoubtedly continue this same community devotion in the years to come.

Madam Speaker, I rise to recognize Mrs. Mickey Peabody for her many years of service and philanthropy. I urge my colleagues to join me in wishing her many years of continued happiness and success.

COMMEMORATING THE 60TH ANNIVERSARY OF THE HAPPY HOOLIGANS

HON. EARL POMEROY

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. POMEROY. Madam Speaker, on January 16, I joined the Happy Hooligans and the North Dakota Air National Guard in celebrating their 60th Anniversary. This unit—the 119th Fighting Wing, now rechristened the 119th Wing—has served our nation for the better part of the last century, and their dedicated commitment to our Nation's defense will only continue in the coming years.

I can remember being at the Capitol on September 11th and one year later, being at

the Pentagon to recognize those pilots from the 119th Fighter Wing, who were flying vigil that day and in fact, did the first fly-over of the Pentagon after the attack. These moments will forever be part of the Hooligans' history.

This unit demonstrated time and again a commitment to excellence in flying fighter aircraft. The William Tell competition, which pits the top fighter units from across the country, was won by the 119th three times. The unit won the Hughes Achievement Award for air defense twice. It only makes sense to provide such a skilled and decorated unit a mission for the new century consistent with the evolution of the United States Air Force.

We know about our two new missions—the C–21s and the Predators—but what we don't yet know is how exactly the Hooligans will make their next entry into the history books with those aircraft. Ultimately, the 119th is about the people that make it up and those people have a record of accomplishment and great service to our Nation.

The 119th changes its mission, but brings with it an enviable record for flying safety. The unit was awarded the Flight Safety Trophy four times in the past seven years. Since 1990, the ''Happy Hooligans'' have flown more than 70,000 hours in F–16 aircraft without an accident from dozens of locations around the world, in a variety of weather conditions, during daylight and nighttime hours. That achievement coupled with hours of accident free flying in F–4 fighters and flight hours in F–101 fighter aircraft is one of the best safety records in U.S. Air Force history.

The pilots and other personnel in Fargo today who have stood up to terrorists and stood for freedom to protect the United States are remarkable heroes and their stories will ring true for many years in our hearts and our history books.

PERSONAL EXPLANATION

HON. MICHAEL R. TURNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. TURNER. Madam Speaker, on rollcalls numbers 44, 45, and 46, on January 22, I am not recorded.

Had I been present, I would have voted ''yea'' on each vote.

A TRIBUTE TO JON SAMUELS

HON. JANICE D. SCHAKOWSKY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Ms. SCHAKOWSKY. Madam Speaker, when our constituents think of the House of Representatives, they think of the 435 elected Congressmen and women. Yet each of us is acutely aware that much of what we do or say simply wouldn't happen without our hard-working staff—the men and women who choose this way to serve their country, and, oh yes, toil to make us look good.

I rise today to pay tribute to Jonathan Samuels who has worked with me and for me from the earliest days of my first Congressional race, beginning in 1997 until today. It is with great pride, even motherly pride, that I see him move on to a key position in the office of Majority Whip JIM CLYBURN.

In the early fall of 1997, I literally recruited Jon Samuels off the street in my home town of Evanston, Illinois. He and I were walking together in a student-led march against violence that started at the High School and ended in downtown Evanston, a few blocks from my campaign office. He told me that he had recently graduated from college and talked about the work he was doing with the youth in our community. I learned he was experienced outdoors man and led young people on challenging wilderness experiences.

By the time we reached our destination, I knew that I had to have Jon on my team. I clung to him during the speeches and then took him directly to my office to sign him up as an organizer in the Campaign School I was creating. The Campaign School was to be made up of seventeen young people from around the country who wanted to learn to become political professionals by working the Congressional campaign of a progressive Democratic woman. In exchange for providing excellent training, they would work for a stipend and organize a sufficient number of volunteers and identify enough voters that would elect me to Congress.

The plan worked, in large part, because Jon Samuels was a star. There wasn't anything he couldn't do in that first campaign, and there was no way I could go to Washington without him. For the next 8 years, Jon worked by my side as Legislative Assistant, Legislative Director, and then as Deputy Chief of Staff/Communications Director. Along with my amazing Chief of Staff, Cathy Hurwit, Jon has been the brains behind Team Schakowsky.

As good as he was when he started, Jon has only gotten better. I have watched him grow into one of the most capable, dedicated, strategic, focused, wise-beyond-his-years young men I have ever encountered. I have relied on him to handle the most complicated issues and situations, deal with the media, constituents and outside groups, with other members and their staffs.

But even more than for all of his extraordinary talents and skills, I appreciate and love Jon Samuels for his heart. Working in my office was never just a job for Jon. He believes in our shared progressive vision. He believed our team could make a difference. And I always knew he believed in me, and that has been and continues to be a source of inspiration.

Jon is now like family to me. I feel privileged to say that because Jon is fiercely loyal to his family. He even calls his Grandmother every single day!

And so, Madam Speaker, I rise to say on the record, Thank you, Jon Samuels. Thank you for your service to the residents of the 9th Congressional District of Illinois, for your continuing contributions to our country, for sticking with me for over 9 years, and for your love and friendship. You will always be part of Team Schakowsky.

RETIREMENT OF SUSAN K. KERN, DIRECTOR OF THE UNIONDALE PUBLIC LIBRARY

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mrs. MCCARTHY of New York. Madam Speaker, I rise today to honor a dedicated and spirited community leader from the 4th Congressional District, Director of the Uniondale Public Library Susan K. Kern. Susan K. Kern began her library career 40 years ago in her hometown of Worcester, Massachusetts after receiving her Master's degree in Library Science from Simmons College in Boston, Massachusetts.

Susan spent time working in public libraries in Massachusetts, Rhode Island and New Jersey before relocating to Long Island, New York in 1981.

In 1986, Susan became the Director of Uniondale Public Library. She remained in that position for over 20 years. During her tenure at the Uniondale Public Library Susan was a major factor in several projects and programs that are still in existence today. She was responsible for installing the library's first elevator in 1987, coordinating the removal of dangerous asbestos in 1992 to keep the community safe and healthy.

The major project of her Uniondale Public Library career has been the Building Expansion and Renovation project. Beginning in 2003, this renovation took nearly 3 years to complete, ending with a Grand Reopening Celebration on January 8, 2006. This project has doubled the size of the library and has enabled the facility to offer more services and materials for the community.

In addition to the great projects Susan has completed, she is also responsible for many programs for the community. Susan has initiated many art exhibits, classes for both children and adults, and countless cultural programs for community members of all ages.

Madam Speaker, I ask that my colleagues join me today in recognizing the outstanding guidance provided by Susan K. Kern, and the remarkable accomplishments she has made along the way. Together with her family and friends, I applaud Susan for her dedication and service to the community. I wish her continued success, and am honored to have her as a member of my district.

HONORING JERRY ZREMSKI ON HIS INAUGURATION AS PRESIDENT OF THE NATIONAL PRESS CLUB

HON. BRIAN HIGGINS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. HIGGINS. Madam Speaker, I rise today to honor and congratulate Mr. Jerry Zremski, newly inaugurated president of the National Press Club and new Washington Bureau Chief of the Buffalo News. Jerry has worked for the Buffalo News for 27 years, and we are privileged to have such a reputable journalist covering our city.

Jerry joined the Washington bureau of the Buffalo News in 1989. From presidential elections and the Buffalo waterfront to the Western

New York congressional delegation and international conflicts, Jerry has played an integral part in reporting and analyzing the news for our great Western New York newspaper over these past years.

A native of Elkland, Pennsylvania, Jerry is a Syracuse University graduate, where he received his Bachelor's degree in journalism and he holds a Master's degree in political science from American University.

Jerry served as the president of the Regional Reporters Association in 1997 and was a Nieman fellow at Harvard University in 1999–2000. Jerry previously served as the National Press Club's vice president, has also served as membership secretary and treasurer since joining the Club in 1989. He is already taking a proactive approach to the upcoming year, identifying freedom of the press as the primary focus for his term in office. Jerry will undoubtedly continue to be a strong voice for free press worldwide, carrying on the National Press Club's traditions of ethical and worthy journalism.

Madam Speaker, I would like to take this opportunity to honor and celebrate the achievements of Jerry Zremski and thank him for his contributions to our Western New York community.

THE INTRODUCTION OF THE BUNDLING DISCLOSURE ACT

HON. CHRIS VAN HOLLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. VAN HOLLEN. Madam Speaker, I rise today to introduce The Bundling Disclosure Act. While we have already made tremendous strides in the 110th Congress by passing many ethics reform measures, in the first 100 hours, our work is not done. We must continue to move forward to ensure that the proper relationship is maintained between Members of Congress and lobbyists who advance their clients, legislative interests before Congress. This bill is an important step in the direction of adding some sunlight to the activities of lobbyists who have business before the Congress while at the same time providing campaign contributions, co-hosting events or collecting and transmitting the contributions of others.

While lobbyists are subject to the same legal limitations as any other individual regarding the amount of a contribution they can make to a Member's campaign, some lobbyists also solicit, gather and transmit the contributions of others to Members. This "bundling" practice enables lobbyists to enhance their significance to a Member of Congress and consequently, this practice should be transparent to the public

This disclosure to the American people is essential in order to provide the accountability that so many voters demanded as a result of the abuses that took place in the recent past. We need to create transparency around the campaign finance practices of registered lobbyists. As Justice Brandeis has said, "sunlight is the best disinfectant."

Last year, I amended the Lobbying Disclosure Act, in the Judiciary Committee, to require lobbyists to disclose their bundling of funds. This amendment was adopted on a bipartisan vote of 28 to 4 and was the subject of a Washington Post editorial on April 13, 2005 entitled, "Real Lobbying Reform, A House Committee Tackles the Nexus Between Campaign Cash and Legislative Influence". Unfortunately, a funny thing happened on the way to the Rules Committee. This bundling disclosure provision was mysteriously stripped from the bill without a vote or comment. Any effort to add the provision back into the bill in the Rules Committee or on the House floor was blocked.

Therefore, I was pleased to see that Senators FEINGOLD and OBAMA drafted a similar provision in the 110th Congress. The Senate's bundling disclosure requirement was included in the Senate Ethics bill that passed by a vote of 96 to 2. This bill that I am introducing today with Congressman MEEHAN contains the same provision.

The American people spoke loud and clear during the last election. They want reform. They want this Congress to correct the abuses of the past. This bill will shed much needed light on the murky intersection of fundraising and the legislative process. I urge you to support this bill so that we can restore the American people's faith in Congress and put the public interest before the special interests.

PERSONAL EXPLANATION

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. ROGERS of Michigan. Madam Speaker, on the legislative day of January 22, 2007 the House voted on three measures under suspension of the rules. H. Res. 52, paying tribute to Reverend Waitstill Sharp and Martha Sharp, H.R. 390, to require the establishment of a national database in the National Archives to preserve records and H. Res. 29, supporting the goals and ideals of National Mentoring Month 2007.

On rollcall votes Nos. 44, 45 and 46 I was unavoidably detained. Had I been present, I would have voted "aye."

HONORING THE WILLIAM FLOYD HIGH SCHOOL VARSITY FOOTBALL TEAM

HON. TIMOTHY H. BISHOP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. BISHOP of New York. Madam Speaker, I rise to congratulate and recognize the extraordinary efforts of the William Floyd High School Varsity Football Team, for winning the 2006 Long Island High School Championship and the coveted Rutgers Trophy.

After an undefeated regular season, the William Floyd Colonials captured the Conference I Championship, the Suffolk County Championship, and finished the season with a 34–27 victory over Baldwin High School for the Long Island Championship. The Colonials executed on both sides of the football, in front of more than 5,200 boisterous fans. They controlled the game, exhibiting teamwork and great individual effort to finish with a perfect 11–0 season.

I am honored to represent William Floyd High School and these athletes who not only strive to succeed on the field of play, but in the classroom as well. As a parent, I value the important lessons that competitive athletics teaches our students in pursuit of a lifetime of success. I have long been an advocate of sports and extracurricular activities as they complement academic excellence, inspire leadership, and build character, which better prepare our students to face the challenges of the 21st century.

Special congratulations to William Floyd's head coach, Paul Longo, and the coaching staff who trained this football team to be the best on Long Island. These young student athletes represent all that is good about high school sports, and it is my privilege to serve as their Congressman.

Go Floyd!

SUPPORTING THE GOALS AND IDEALS OF NATIONAL MENTORING MONTH 2007

SPEECH OF

HON. SILVESTRE REYES

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, January 22, 2007

Mr. REYES. Mr. Speaker, I rise today in strong support of H. Res. 29, supporting the goals and ideals of National Mentoring Month 2007.

The strains on America's families are immense. Many parents work two and three jobs to put food on the table and provide medical care for their children. Sometimes, tragedy or medical emergency diminishes the support a child receives at home. The list of vulnerabilities children face is long.

The worst circumstances, however, will bring out the best in humanity. When a need exists, society often leans in to help shoulder the load.

Today we are celebrating the uncanny ability of Americans to lend a helping hand. Today on the House floor and this month across America, we honor those people who sacrifice their time and energy to provide a friendly face, a supportive shoulder, a patient ear, and a model for leadership and success in the form of mentoring relationships.

According to Big Brothers, Big Sisters of America, young people touched by mentors are more confident in their schoolwork performance, able to get along better with their families, 46 percent less likely to begin using illegal drugs, 27 percent less likely to begin using alcohol, and 52 percent less likely to skip school.

In my district of El Paso, Texas, I have seen the positive impact of mentoring firsthand through my involvement with Big Brothers, Big Sisters of El Paso. The hundreds of individuals who step up either as big brothers and sisters or in support of the organization not only make a difference in the life of a child but also provide a model for civic involvement that can be emulated by the community at large.

Mr. Speaker, on a daily basis, scores of organizations and millions of Americans provide the positive relationships that help a child gain the confidence and responsibility he or she needs to succeed.

I urge my colleagues to support this bill.

TRIBUTE TO COACH TONY NAPOLET

HON. TIM RYAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. RYAN of Ohio. Madam Speaker, I rise today to honor the recently completed season and still ongoing career of someone who is an institution in Ohio High School football and the community of Warren, Ohio. Coach Tony Napolet was awarded this year's Coach of the Year award after leading the Warren JFK Eagles to a 14–1 season capped by a berth to the Division 5 State championship game.

Although I never had the opportunity to play for him, Coach Napolet has been a friend and mentor throughout my entire adult life. The year following my graduation from Warren JFK, Tony Napolet was brought on for what he anticipated as being a 1-year stint as JFK head coach. That season, after squeaking into the playoffs, Napolet and the Eagles rattled off an amazing run to win the State Championship. At the conclusion of that season Coach Napolet agreed to come back to coach the Eagles indefinitely. He followed his title winning season with another birth to the State championship game. Although Coach Nap and the Eagles suffered a 1-point loss, the 2nd straight appearance in the State championship game solidified Tony Napolet's niche in the upper echelon of Ohio high school football coaches. And that was hardly the twilight of Coach Nap's career. He has since coached the Eagles to numerous winning seasons and three more State semifinal appearances including this past season's appearance in another State championship game.

Overall Coach Tony Napolet has garnered three top ten AP rankings, five state semi-final appearances, a winning percentage of .716 during his time at Warren JFK, and an overall coaching record of 191 wins, 84 losses and 3 ties.

All of the records, statistics, and awards, however, cannot speak to the influential and inspirational man that is Tony Napolet. One thing that everyone who has "ever played for Coach Napolet knows is that whether you were the starting quarterback or the third string defensive lineman, you were treated exactly the same. Not only was everyone an equal on the field, but also off the field, midseason, off-season, and after you had graduated. Tony Napolet is known in the community just as much for what he does for young people after they graduate, as he is for his coaching prowess. Of course there are the typical phone calls to college coaches and recommendation letters, but his involvement in his former players' lives doesn't end there. Coach Napolet is the one who helps you find a summer job when you're home from school, or serves as a reference on an internship application. Since Coach Napolet is such an integral part of the JFK High family, he in turn treats everyone as a member of his family.

Tony Napolet is every part of what a high school football coach should be. He realizes and has always realized that the role he plays is not just that of football coach but as someone who is helping prepare young men for the next step in their lives, whether that involves football or not.

So, today I am not honoring a coach and his distinct record, but rather a great man who also happens to be a fantastic coach.

THE CAMPUS FIRE SAFETY RIGHT TO KNOW ACT OF 2007

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. PASCRELL. Madam Speaker, 7 years ago this month, Seton Hall University in South Orange, NJ, suffered a horrible tragedy, as a fire ripped through one of its residence halls. That fire killed 3 young freshmen and wounded 58 other students.

Unfortunately, campus fires have become all too common. Each year, thousands of fires rage through the campuses and off-campus housing of our colleges and universities. Since January 2000, almost 100 people have died in campus-related fires across the country. In 2006 alone, 12 people were killed.

Last week, I was proud to reintroduce the Campus Fire Safety Right to Know Act of 2007, H.R. 592, in response to this problem. This bill is widely supported, and has garnered 28 bipartisan cosponsors to date. Senator FRANK LAUTENBERG has also introduced companion legislation in the Senate, S. 354.

This landmark legislation calls for colleges and universities to report vital fire safety information to the U.S. Department of Education. This will allow prospective students and their parents to make informed decisions regarding a fire-safe school based on criteria such as the installation of automatic fire sprinkler systems, automatic fire alarm systems, fire prevention training and other related factors.

The Campus Fire Safety Right to Know Act does not mandate upgrades; it simply requires schools to collect and report data crucial to the safety and well-being of students and other residents.

The fact that this legislation was passed by the House of Representatives in the 109th Congress was due, in no small part, to the tremendous support provided by leading fire safety organizations. These and other organizations have joined with me once again to support this vital legislation in order to protect our students on campuses across the Nation. They are working tirelessly every day to improve fire safety for our citizens, and I want to recognize and commend them for their support and their leadership.

These fourteen organizations include Campus Firewatch, The Center for Campus Fire Safety, the Congressional Fire Services Institute, the International Fire Chiefs Association, the International Association of Fire Fighters, the International Code Council, the International Fire Marshals Association, the National Association of State Fire Marshals, the National Electrical Manufacturers Association, the National Fire Protection Association, the National Fire Sprinkler Association, the National Volunteer Fire Council, the Society of Fire Protection Engineers, and Underwriters Laboratories.

Madam Speaker, I urge Congress to act now on this important legislation so that we may ensure a safe school environment for all college and university students. When we entrust our children to any institution, we expect that they will be in a safe environment. And we have the right to expect that much.

PRESIDENT BUSH EXPECTED TO SPEAK OUT ABOUT GLOBAL WARMING TONIGHT—NEEDS TO ACT

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. PAYNE. Madam Speaker, over the last week we've heard that President Bush is finally going to admit tonight what most of us have known for years—that global warming is actually occurring and that we as a Nation need to take action.

Tonight's expected pronouncement from the President is welcome news, but it does not excuse the administration's past record on global warming.

Over the last six years, the Bush administration has served as a major roadblock to reversing dangerous warming trends. The President walked away from international efforts to help reduce this growing danger to our planet, refusing to actually lead on this critically important issue.

In my home State of New Jersey, we are proud of the fact that former Governor Richard J. Codey took decisive action over a year ago to strengthen our State's efforts to combat global warming by classifying carbon dioxide as an air contaminant. This action made New Jersey one of the first States in the Nation to take such a step. By contrast, the Bush administration has been in constant denial about environmental dangers to our planet.

I hope President Bush provides more than just lip service on global warming as he addresses the Nation tonight. After all, the President has pledged to reduce our dependence on foreign oil every year since he took office, while his policies have consistently made the problem worse.

Last year was the hottest ever recorded in our Nation's history. Our planet simply cannot afford more inaction from this administration. I hope that the President is serious about joining us in producing policies that will reduce greenhouse gas emissions. The time for action is long overdue.

CONGRATULATING THE 2007 NAACP HUMANITARIAN OF THE YEAR HON. CAROLYN Q. COLEMAN

HON. G. K. BUTTERFIELD

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 23, 2007

Mr. BUTTERFIELD. Madam Speaker, I rise today to honor a great woman in the African American community and a vocal leader in North Carolina, the Honorable Carolyn Q. Coleman. Mrs. Coleman will receive the 2007 NAACP Humanitarian of the Year Award at the 23rd Annual NAACP Humanitarian of the Year Banquet on Saturday, January 27 in Durham, North Carolina. Her work over the last year is inspiring but what truly makes her remarkable is the scope of her deeds over a lifetime.

Carolyn Quilloin Coleman is a native of Savannah, Georgia, where as a young woman she became involved in civil rights and human rights issues with the local NAACP Youth Council. After a 9-year ban of the NAACP in Alabama, Coleman joined the late Althea Simmons in reorganizing units in that State. She currently serves as Secretary of the National Board and Assistant Secretary of the National Association. On the State level, Mrs. Coleman is the First Vice President of the North Carolina State Conference and is a member of the Greensboro Branch's Executive Committee.

Coleman graduated from Savannah State College with a Bachelor of Science degree in History and minors in Economics and Sociology. Coleman pursued her Masters Degree in Adult Education at North Carolina A&T and has also studied at the Memphis Theological Seminary in Tennessee.

Professionally, Coleman served as the Special Assistant to Governor Jim Hunt for 8 years, providing guidance on issues of the minority community. In her 40-year relationship with the NAACP, Mrs. Coleman has served with distinction as a Regional Youth Director, Alabama State Director, Southeast Voter Education Director and the North Carolina State Director.

Mrs. Coleman led the North Carolina State Conference in filing 13 lawsuits challenging the at-large elections of Judges, County Commissioners, City Council and School Board members. Her efforts led to redistricting in the State, which made possible the election of two African-American Members of Congress in the 1990s, the first since Reconstruction. In total, the results of those suits led to the election of 10 African-American Superior Court Judges and over 100 new African-American officials.

In 2006, Mrs. Coleman won re-election to the Guilford County Board of Commissioners with 74 percent of the vote and was elected the first African-American woman to chair the Board. As a Commissioner, Coleman is a liaison on several boards including the Greensboro Sports Commission, the Greensboro Convention and Visitors Bureau, the Piedmont Authority for Regional Transportation, the Piedmont Triad Council of Governments and the Work First Planning Board in addition to her responsibilities on the Board's Budget Process Committee, Community Based Organizations Study Committee and School Budget Committee.

Despite her years of continued service, Mrs. Coleman still makes time for her friends—as a member of Delta Sigma Theta Sorority, her family—as the mother of one son, Carlton, and faith—as a communicant of the New Zion Baptist Church in Greensboro.

Madam Speaker, I ask my Colleagues to join me and the delegates to the NAACP Conference in paying tribute to this courageous and dedicated woman who has worked to foster and continue our Nation's founding principle—that all men and women are created equal.

Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S873–S1001

Measures Introduced: Eleven bills and one resolution were introduced, as follows: S. 360–370 and S. Res. 37. **Pages S911–12**

Measures Passed:

Adjournment Resolution: Senate agreed to H. Con. Res. 41, providing for a conditional adjournment of the House of Representatives. **Page S1000**

Page Board Composition: Senate passed to H.R. 475, to revise the composition of the House of Representatives Page Board to equalize the number of members representing the majority and minority parties and to include a member representing the parents of pages and a member representing former pages, clearing the measure for the President. **Page S1000**

Fair Minimum Wage: Senate continued consideration of H.R. 2, to amend the Fair Labor Standards Act of 1938 to provide for an increase in the Federal minimum wage, taking action on the following amendments proposed thereto: **Pages S880–88, S888–S904**

Adopted:

By a unanimous vote of 99 yeas (Vote No. 20), Enzi (for Snowe) Modified Amendment No. 103 (to Amendment No. 100), in the nature of a substitute. **Pages S880–81, S888–90**

Roberts/Dodd Amendment No. 102 (to Amendment No. 100), to establish a small business child care grant program. **Pages S890–93**

Sessions Modified Amendment No. 108 (to Amendment No. 100), to authorize the Secretary of the Treasury to study the costs and barriers to businesses if the advance earned income tax credit program included all EITC recipients. **Pages S880, S903–04**

By a unanimous vote of 98 yeas (Vote No. 21), Sessions Modified Amendment No. 106 (to Amendment No. 100), to express the sense of the Senate that increasing personal savings is a necessary step toward ensuring the economic security of all the people of the United States upon retirement. **Pages S880, S893–95, S898–S903**

Withdrawn:

Sessions Amendment No. 107 (to Amendment No. 100), to impose additional requirements to ensure greater use of the advance payment of the earned income credit and to extend such advance payment to all taxpayers eligible for the credit. **Pages S880, S903**

Pending:

Reid (for Baucus) Amendment No. 100, in the nature of a substitute. **Pages S880–88, S888–S904**

McConnell (for Gregg) Amendment No. 101 (to Amendment No. 100), to provide Congress a second look at wasteful spending by establishing enhanced rescission authority under fast-track procedures. **Page S880**

Sununu Amendment No. 112 (to Amendment No. 100), to prevent the closure and defunding of certain women's business centers. **Pages S881–82**

Kyl Amendment No. 115 (to Amendment No. 100), to extend through December 31, 2008, the depreciation treatment of leasehold, restaurant, and retail space improvements. **Page S882**

Bunning Amendment No. 119 (to Amendment No. 100), to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits. **Pages S895–97**

Enzi (for Ensign/Inhofe) Amendment No. 152 (to Amendment No. 100), to reduce document fraud, prevent identity theft, and preserve the integrity of the Social Security system. **Pages S897–98**

Enzi (for Ensign) Amendment No. 153 (to Amendment No. 100), to preserve and protect Social Security benefits of American workers, including those making minimum wage, and to help ensure greater Congressional oversight of the Social Security system by requiring that both Houses of Congress approve a totalization agreement before the agreement, giving foreign workers Social Security benefits, can go into effect. **Pages S897–98**

Enzi (for Ensign) Amendment No. 154 (to Amendment No. 100), to improve access to affordable health care. **Pages S897–98**

A unanimous-consent agreement was reached providing for further consideration of the bill at approximately 10:30 a.m., on Wednesday, January 24, 2007; that there be one hour of debate prior to the vote on the motion to invoke cloture on Gregg Amendment No. 101 (listed above), with the time equally divided and controlled between the Majority and Republican Leaders, or their designees; that at 11:30 a.m., Senate vote on the motion to invoke cloture on Gregg Amendment No. 101; provided further, that members have until 10:30 a.m., on Wednesday, January 24, 2007, to file second-degree amendments. **Pages S1000–01**

Messages From the President: Senate received the following message from the President of the United States:

Transmitting the report on the State of the Union delivered to a Joint Session of Congress on January 23, 2007; which was ordered to lie on the table. (PM–2) **Pages S907–11**

Messages From the House: **Page S907**

Messages Referred: **Page S911**

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Additional Statements: **Pages S906–07**

Amendments Submitted: **Pages S924–90**

Notices of Hearings/Meetings: **Pages S990–91**

Authorities for Committees to Meet: **Page S991**

Record Votes: Two record votes were taken today. (Total—21) **Pages S890, S904**

Adjournment: Senate convened at 10 a.m., and adjourned at 10:11 p.m., until 9:30 a.m., on Wednesday, January 24, 2006. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S1001.)

Committee Meetings

(Committees not listed did not meet)

NOMINATION

Committee on Armed Services: Committee concluded a hearing to examine the nomination of Lieutenant General David H. Petraeus, USA, to be General and Commander, Multi-National Forces—Iraq, after the nominee testified and answered questions in his own behalf.

TAX GAP

Committee on the Budget: Committee concluded a hearing to examine the growing tax gap—the difference between the tax amounts taxpayers pay voluntarily and on time and what they should pay under the law, and strategies for reducing it, after receiving testimony from Michael Brostek, Director, Tax Issues, Strategic Issues Team, Government Accountability Office; and Robert S. McIntyre, Citizens for Tax Justice; and John S. Satagaj, Small Business Legislative Council, on behalf of the Coalition for Fairness in Tax Compliance (CFTC), both of Washington, DC.

IRAQ

Committee on Foreign Relations: Committee held a hearing to examine the remaining options relating to securing America's interests in Iraq, focusing on Federalism, strategic redeployment or negotiation, receiving testimony from Leslie H. Gelb, Council on Foreign Relations, New York, New York; and Edward N. Luttwak, Center for Strategic and International Studies, Lawrence J. Korb, Center for American Progress; and Robert Malley, International Crisis Group, all of Washington, DC.

Hearing recessed subject to the call.

IRAQ: ALTERNATIVE PLANS

Committee on Foreign Relations: Committee held a hearing to examine the remaining options relating to securing America's interests in Iraq, receiving testimony from Representative Murtha; and former Representative Newt Gingrich, American Enterprise Institute, Washington, DC.

Hearing recessed subject to the call.

SERVICE MEMBERS

Committee on Veterans' Affairs: Committee concluded an oversight hearing to examine Department of Defense and Veterans Affairs collaboration and cooperation to meet the needs of returning military service members, focusing on the delivery of health care and benefits to veterans, after receiving testimony from Gordon H. Mansfield, Deputy Secretary of Veterans Affairs; and David S.C. Chu, Under Secretary of Defense for Personnel and Readiness.

INTELLIGENCE REFORM

Select Committee on Intelligence: Committee concluded a hearing to examine intelligence reform, focusing on the Intelligence Reform and Terrorism Prevention Act (Public Law 108–458), including structural changes within the intelligence community, the collection and analysis of intelligence, science and technology, and information sharing and enterprise architecture in the intelligence community, after receiving testimony from Mary Margaret Graham,

Deputy Director of National Intelligence for Collection; Thomas Fingar, Deputy Director of National Intelligence for Analysis; Patrick Kennedy, Deputy Director of National Intelligence for Management; Dale Meyerrose, Chief Information Officer; Mark Ewing, Deputy to the Deputy Director of National Intelligence for Requirements, and Susan Reingold, Deputy Program Manager, Information Sharing Environment, all of the Office of the Director of National Intelligence.

House of Representatives

Chamber Action

Public Bills and Resolutions Introduced: 18 public bills, H.R. 631–648; and 9 resolutions, H. Con. Res. 41–43 and H. Res. 85, 87–91, were introduced. **Pages H885–86**

Additional Cosponsors: **Pages H886–87**

Reports Filed: A report was filed today as follows:

H. Res. 86, providing for consideration of H. Res. 78, amending the Rules of the House of Representatives to permit Delegates and the Resident Commissioner to the Congress to cast votes in the Committee of the Whole House on the state of the Union (H. Rept. 110–3). **Page H885**

Speaker: Read a letter from the Speaker wherein she appointed Representative Shuler to act as Speaker pro tempore for today. **Page H837**

Recess: The House recessed at 11:18 a.m. and reconvened at 12 noon. **Page H842**

Providing for a joint session of Congress to receive a message from the President: The House agreed by unanimous consent to concur in the amendment of the Senate to H. Con. Res. 38, providing for a joint session of Congress to receive a message from the President. **Page H847**

Adjournment Resolution: The House agreed by unanimous consent to H. Con. Res. 41, providing for an adjournment of the House. **Pages H847–48**

Suspensions: The House agreed to suspend the rules and pass the following measures:

Amending section 5313 of title 31, United States Code, to reform certain requirements for reporting cash transactions: H.R. 323, to amend section 5313 of title 31, United States Code, to reform certain requirements for reporting cash transactions; **Pages H848–51**

District of Columbia and United States Territories Circulating Quarter Dollar Program Act: H.R. 392, to provide for a circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands; and **Pages H851–55**

Directing the Secretary of Homeland Security to streamline the SAFETY Act and anti-terrorism technology procurement processes: H.R. 599, to direct the Secretary of Homeland Security to streamline the SAFETY Act and anti-terrorism technology procurement processes, by a ⅔ yea-and-nay vote of 427 yeas with none voting "nay," Roll No. 47. **Pages H855–59**

Suspensions—Proceedings Resumed: The House agreed to suspend the rules and pass the following measures which were debated on Monday, January 22:

Honoring the contributions of Catholic schools: H. Res. 51, to honor the contributions of Catholic schools, by a ⅔ yea-and-nay vote of 428 yeas with none voting "nay," Roll No. 48; **Pages H859–60**

Amending title 5, United States Code, to make noncreditable for Federal retirement purposes any Member service performed by an individual who is convicted of any of certain offenses committed by that individual while serving as a Member of Congress: H.R. 476, to amend title 5, United States Code, to make noncreditable for Federal retirement purposes any Member service performed by an individual who is convicted of any of certain offenses committed by that individual while serving as a Member of Congress, by a ⅔ yea-and-nay vote of 431 yeas with none voting "nay," Roll No. 49; and **Page H860**

Congratulating Illinois State University as it celebrates its sesquicentennial: H. Res. 57, to congratulate Illinois State University as it celebrates its sesquicentennial, by a ⅔ yea-and-nay vote of 423 yeas with none voting "nay," Roll No. 50. **Pages H860–61**

Board of Regents of the Smithsonian Institution—Appointment: The Chair announced the Speaker's appointment of Representatives Becerra

and Matsui to the Board of Regents of the Smithsonian Institution. **Page H863**

Select Intelligence Oversight Panel of the Committee on Appropriations—Appointment: The Chair announced the Speaker's appointment of the following Members of the House of Representatives to the Select Intelligence Oversight Panel of the Committee on Appropriations: Representative Holt, Chairman; Representatives Obey, Murtha, Reyes, Dicks, Lowey, Cramer, Schiff, LaHood (Ranking Minority Member), Lewis (CA), Young (FL), Hoekstra, and Frelinghuysen. **Page H863**

Committee Elections: The House agreed to H. Res. 85, electing the following Members to serve on certain standing committees of the House of Representatives: Committee on Financial Services: Representative Wexler (to rank immediately after Representative Donnelly). Committee on the Judiciary: Representative Wasserman Schultz (to rank immediately after Representative Davis of AL). Committee on Science and Technology: Representative Kanjorski (to rank immediately after Representative McNerney) and Representative Hooley (to rank immediately after Representative Kanjorski). Committee on Small Business: Representatives Millender-McDonald, Jefferson, Shuler, Gonzalez, Larsen (WA), Grijalva, Michaud, Bean, Cuellar, Lipinski, Moore (WI), Altmire, Braley (IA), Clarke, Ellsworth, Johnson (GA), and Sestak. **Page H875**

Recess: The House recessed at 4:46 p.m. and reconvened at 8:41 p.m. **Page H880**

State of the Union Address: President George W. Bush delivered his State of the Union address to a joint session of Congress, pursuant to the provisions of H. Con. Res. 38. He was escorted into the House Chamber by a committee comprised of Representatives Hoyer, Clyburn, Emanuel, Larson of Connecticut, Boehner, Blunt, Putnam, McCotter and Senators Reid, Durbin, Schumer, Murray, Dorgan, Stabenow, McConnell, Lott, Kyl, Cornyn, Hutchison, Ensign, and Stevens. The President's message was referred to the Committee on the Whole House on the State of the Union and ordered printed (H. Doc. 110–1). **Pages H880–84**

Senate Message: Message received from the Senate today appears on pages H842–43.

Quorum Calls—Votes: Four yea-and-nay votes developed during the proceedings of today and appear on pages H859, H859–60, H860, and H861. There were no quorum calls.

Adjournment: The House met at 10:30 a.m. and adjourned at 10:10 p.m.

Committee Meetings

COMMITTEE ORGANIZATION

Committee on Agriculture: Met for organizational purposes.

IRAQ'S EFFECT ON TOTAL FORCES READINESS

Committee on Armed Services: Held a hearing on implications of Iraq policy on total force readiness. Testimony was heard from the following officials of the Department of Defense: GEN Peter J. Schoomaker, USA, Chief of Staff, U.S. Army; GEN James T. Conway, USMC, Commandant, U.S. Marine Corps; 1SG Ciaran T. Allison, USA, A Co. 2–23 IN, Ft. Lewis, MA; and public witnesses.

WHY DEFICITS MATTER

Committee on the Budget: Held a hearing on Why Deficits Matter. Testimony was heard from David M. Walker, Comptroller General, GAO; and public witnesses.

MISCELLANEOUS MEASURES; COMMITTEE ORGANIZATION; OVERSIGHT PLAN

Committee on Foreign Affairs: Favorably considered the following resolutions and adopted a motion urging the Chairman to request that they be considered on the Suspension Calendar: H. Res. 24, amended, Establishing the House Democracy Assistance Commission for the One Hundred Tenth Congress; and H. Con. Res. 20, Calling on the Government of the United Kingdom to immediately establish a full, independent, and public judicial inquiry into the murder of Northern Ireland defense attorney Patrick Finucane, as recommended by Judge Peter Cory as part of the Weston Park Agreement, in order to move forward on the Northern Ireland peace process.

Prior to this action, the committee met for organizational purposes.

The committee adopted an Oversight Plan for the 110th Congress.

COMMITTEE ORGANIZATION; OVERSIGHT PLAN

Committee on Homeland Security: Met for organizational purposes.

The Committee adopted an Oversight Plan for the 110th Congress.

DELEGATES FLOOR VOTE

Committee on Rules: Granted by a vote of 9 to 3, a structured rule. The rule provides 1 hour of general debate in the House on H. Res. 78, Amending the Rules of the House of Representatives to permit Delegates and the Resident Commissioner to the Congress to cast votes in the Committee of the

Whole House on the state of the Union, equally divided and controlled by the chairman and ranking minority member of the Committee on Rules. The rule waives all points of order against the resolution and against its consideration and provides that the resolution shall be considered as read. The rule makes in order the amendment printed in the Rules Report accompanying this resolution, if offered by Rep. Kirk of Illinois. The amendment shall be considered as read, shall be debatable for 20 minutes equally divided and controlled by the proponent and an opponent, and shall not be subject to a demand for a division of the question. The rule also waives all points of order against the amendment printed in the report, and contains one motion to recommit which may not contain instructions. Finally, the rule provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker. Testimony was heard from Delegates Faleomavaega and Bordallo; and Representative Kirk.

ECONOMIC DEVELOPMENT

Committee on Transportation and Infrastructure: Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing on the State of Economic Development. Testimony was heard from public witnesses.

STATE OF U.S. ECON0MY

Committee on Ways and Means: Held a hearing on the State of the U.S. Economy. Testimony was heard from public witnesses.

SUBCOMMITTEE ORGANIZATION

Committee on Ways and Means: Subcommittee on Oversight met for organizational purposes.

COMMITTEE MEETINGS FOR WEDNESDAY, JANUARY 24, 2007

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Commerce, Science, and Transportation: organizational business meeting to consider an original resolution authorizing expenditures for committee operations, committee's rules of procedure for the 110th Congress, and subcommittee assignments; to be followed by a hearing to examine the potential impact of airline mergers and industry consolidation relating to the state of the airline industry, 10 a.m., SR–253.

Committee on Energy and Natural Resources: organizational business meeting to consider an original resolution authorizing expenditures for committee operations, committee's rules of procedure for the 110th Congress, and subcommittee assignments; to be followed by a hearing to examine an analysis completed by the Energy Information Administration entitled ''Energy Market and Economic Impacts of a Proposal to Reduce Greenhouse Gas Intensity with a Cap and Trade System'', 9:45 a.m., SD–366.

Committee on Finance: to hold hearings to examine the nomination of Michael J. Astrue, of Massachusetts, to be Commissioner of Social Security, 10 a.m., SD–215.

Committee on Foreign Relations: business meeting to consider S. Con. Res. 2, expressing the bipartisan resolution on Iraq, and subcommittee assignments and jurisdiction for the 110th Congress, 9 a.m., SH–216.

Committee on Health, Education, Labor, and Pensions: organizational business meeting to consider an original resolution authorizing expenditures for committee operations, committee's rules of procedure for the 110th Congress, and subcommittee assignments; committee will also consider the Genetic Information Nondiscrimination Act, Time to be announced, Room to be announced.

Committee on Homeland Security and Governmental Affairs: organizational business meeting to consider an original resolution authorizing expenditures for committee operations, committee's rules of procedure for the 110th Congress, and subcommittee assignments, 10 a.m., SD–342.

House

Committee on Education and Labor, to meet for organizational purposes, 10:30 a.m., 2175 Rayburn.

Committee on Foreign Affairs, hearing and briefing on South Sudan: The Comprehensive Peace Agreement on Life Support, 10:30 a.m., 2172 Rayburn.

Committee on the Judiciary, to meet for organizational purposes, 10:15 a.m., 2141 Rayburn.

Committee on Science and Technology, to meet for organizational purposes; followed by a markup of the following: H.R. 365, Methamphetamine Remediation Research Act of 2007; H. Res. 59, Supporting the goals and ideals of National Engineers Week; and H. Con. Res. 34, Honoring the life of Percy Lavon Julian, a pioneer in the field of organic chemistry research and development and the first and only African American chemist to be inducted into the National Academy of Sciences, 10 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Highways and Transit, hearing on Surface Transportation System: Challenges for the Future, 10 a.m., 2167 Rayburn.

Committee on Ways and Means, hearing on Economic and Societal Costs of Poverty, 10 a.m. 1100 Longworth.

Permanent Select Committee on Intelligence, executive, hearing on Intelligence Support to the Policy Maker, 10 a.m., H–405 Capitol.

Next Meeting of the SENATE

9:30 a.m., Wednesday, January 24

Senate Chamber

Program for Wednesday: After the transaction of any morning business (not to extend beyond 10:30 a.m.), Senate will continue consideration of H.R. 2, Fair Minimum Wage, with a vote on the motion to invoke cloture on Gregg Amendment No. 101 to occur at approximately 11:30 a.m.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Wednesday, January 24

House Chamber

Program for Wednesday: Consideration of H. Res. 78, to amend the Rules of the House of Representatives to permit Delegates and the Resident Commissioner to the Congress to cast votes in the Committee of the Whole House on the state of the Union.

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