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House of Representatives

The House met at 10 a.m.

The Reverend Eric W. Jorgensen, St. Stephen's Reformed Episcopal Church, Eldersburg, Maryland, offered the following prayer:

Almighty God, who has given us this good land for our heritage, we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor. Bless these Representatives who faithfully serve the citizens of this Nation. Grant them a solemn sense of responsibility before God and their fellow man. Care for their loved ones in need while they labor in this House. Help them to stand firm in conviction where warranted and grant the ability to come to consensus when needed.

We ask the same for other government branches and for Your mercy upon those who defend our national life and liberty. Make us all strong and great in the fear of God and in love of righteousness that blessed of Thee we may be a blessing to all people. Grant this by the authority of Him who was and is and is to come. Amen.

THE JOURNAL

The SPEAKER pro tempore (Mrs. TAUSCHER). 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.

Mr. POE. Madam Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

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

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

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Missouri (Mr. CLEAVER) come forward and lead the House in the Pledge of Allegiance.

Mr. CLEAVER 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.

WELCOMING THE REVEREND ERIC W. JORGENSEN

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

Mr. BARTLETT of Maryland. Madam Speaker, I want to thank one of my constituents, Pastor Eric W. Jorgensen of St. Stephen's Reformed Episcopal Church in Eldersburg, Maryland, for serving as a guest chaplain of the House of Representatives and providing us a beautiful prayer before we begin our work.

This is a tradition begun by Benjamin Franklin that has been followed ever since by the House of Representatives and the Senate. Benjamin Franklin, then 82 years of age, rose during a moment of crisis during our Constitutional Convention. This is part of what he said: ''In the days of our contest with Great Britain when we were sensible of danger, we had daily prayer in this room for divine protection. I have lived, sir, a long time, and the longer I live, the more convincing proofs I see of this truth, that God governs in the affairs of men. If a sparrow cannot fall without his notice, can a Nation rise without his aid?

''I therefore beg leave to move that henceforth prayers imploring the assistance of heaven and its blessings on our deliberations be held in this assembly every morning before we begin to proceed to any other business.''

Thank you, Mr. Franklin, for this precedent. Thank you, Pastor Jorgensen, for helping to continue this great tradition.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 10 further requests for 1-minute speeches on each side of the aisle.

END THE WAR IN IRAQ

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

Mr. CLEAVER. Madam Speaker, this morning I rose from my slumber and turned on C–SPAN, as I always do, and caller after caller mentioned that they interpret what goes on here in this body as irrelevant, that we don't listen to the American people. Of course, if they are talking about the war, which most Americans want ended, they are right. If they are referring back to the Terri Schiavo incident, they are right. But many of them were talking about the SCHIP program. It is troublesome to me that we will not provide health insurance for 10 million children.

I don't attack the President, I don't condemn my colleagues and call them names, but I have got to say that it is embarrassing that the dreams of the American public show up here on this floor to die. This has become the burial ground for American dreams.

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WELCOME PRESIDENT NAMBARYN ENKHBAYAR OF MONGOLIA

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

Mr. WILSON of South Carolina. Madam Speaker, last week President Nambaryn Enkhbayar of Mongolia visited the United States to meet with President Bush and discuss the growing partnership between our two nations. As cochair of the Mongolian Caucus, I was grateful for President Enkhbayar's visit. Mongolia and the United States continue to work closely together to strengthen our economic and strategic alliances, as well as our efforts internationally.

Madam Speaker, I am particularly appreciative of the Mongolian people's continued support of our efforts in Iraq as the central front in the global war on terrorism. During the visit, President Bush and President Enkhbayar signed a Millennium Challenge Corporation Compact. A millennium challenge compact is an initiative by the United States to help developing nations expand their economic growth by investing in infrastructure, health care, education, transportation and other areas.

In conclusion, God bless our troops, and we will never forget September the 11th.

Happy birthday, Alan Stedman of Haddenfield, New Jersey.

AMERICAN SOLDIERS IN IRAQ ARE TIRED, BITTER AND SKEPTICAL, AND YET BUSH ONLY OFFERS STATUS QUO

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

Mr. MORAN of Virginia. Madam Speaker, as President Bush allows the war in Iraq to drag on, with no change in policy and no end in sight, it is important that we hear what our combat soldiers are saying on the front lines of that war. Over the weekend, The Washington Post published a story on the First Infantry Division of the First Battalion, which has been patrolling the streets of Baghdad for the last 14 months. Those troops are tired, bitter and skeptical. One such soldier told the reporter, and I am quoting, ''I don't think this place is worth another soldiers' life.''

Our soldiers are also frustrated that decisionmakers here in Washington don't fully realize what is going on. Quoting another soldier: ''They just know back there what the higher-ups tell them. But the higher-ups don't go anywhere, and actually they only go to the safe places with a little bit of gunfire. They don't see what we see on the ground.'' Having been to Iraq a number of times, as many of my colleagues have, how true that is.

Madam Speaker, none of us in this Chamber can imagine what our soldiers go through on a daily basis in Iraq, but the White House needs to start listening to them. It is well past time to bring our sons and daughters home from this fiasco we call the war in Iraq.

TRULY SCARY HALLOWEEN

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

Mr. AKIN. Madam Speaker, today is Halloween. The Democrats are doing a good job celebrating it. They are handing out entitlements like Halloween candy. The question is how are we going to pay for it. Well, they have approved $431 billion in new taxes this year, but for Halloween they have got something that is really scary: the mother of all tax increases, the biggest tax increase in the history of our country, $3.5 trillion.

The question becomes on Halloween, with fuel prices going up, with the cost of health care going up, with the cost of housing going up, how can we face something as scary as the mother of all tax increases.

VETERANS DAY

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

Mr. KAGEN. Madam Speaker, the war to end all wars, World War I, ended on the 11th day of the 11th month in 1911. In these words, Armistice Day became our Nation's day to give our gratitude to all, to all of our servicemen and women, as President Wilson proclaimed: ''To us in America the reflections of Armistice Day will be filled with solemn pride in the heroism of those who died in the country's service and with gratitude for the victory, both because of the thing from which it has freed us and because the opportunity it has given America to show her sympathy with peace and justice in the councils of nations.''

Peace and justice. Peace and justice.

President Eisenhower would later, in 1954, change this title to Veterans Day. This 110th Congress has fulfilled its duty to the spirit and the meaning of Veterans Day by passing the largest increase in veterans benefits in the past 77 years, making certain all vets receive the benefits they have earned.

This Veterans Day day, please, please thank a veteran for their service, for this is still our Nation's finest hour.

EARMARK MINUTE

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

Mr. FLAKE. Madam Speaker, Democrats wisely seized on earmark reform as an issue during last year's elections. I believe that their promises of reform, coupled with the Republican Party's inability to control earmarks, directly contributed to the Democrats' success in last year's elections. However, the majority party does not appear to be following through with the substantive reforms that were promised.

Take the Labor-HHS bill that will soon be considered in conference. It contains more than 1,300 House earmarks, more than 1,000 Senate earmarks. It goes without saying that few of these earmarks have received even a cursory screening, let alone a thorough vetting. We need to remember that we are only halfway through the process and it is in the conference that much of the earmark mischief occurs. Public confidence in our ability as stewards of their taxpayer dollars will further erode.

Madam Speaker, while watching the Democrats make the same political miscalculations as we did in the majority may delight us as Republicans, it has to be sorely disappointing to taxpayers. I urge all Members, Republicans and Democrats, to support legislation to impose an earmark moratorium until we can scrutinize all earmarks.

□ 1015

SCHIP HALLOWEEN

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

Mr. EMANUEL. Madam Speaker, President Bush is continuing to oppose a bipartisan plan to give 10 million children the health care they need. This morning, the Associated Press reported that President Bush will veto any plan that raises the resources necessary to fund children's health care.

An overwhelming majority of Republicans and Democrats in Congress disagree with the President on this issue. But the President is content to continue to stand between 10 million children and their health care. The President's refusal to move forward could have serious consequences for middle-class families.

The New York Times reported today that 21 States will run out of money for children's health care this year if the spending for the SCHIP program continues only at current levels. The parents of these children earn a paycheck, not a welfare check. Millions of children and their parents are counting on this President and Republicans in Congress to offer more than an emergency room as health care.

The same children who are counting on the President to act will celebrate Halloween this evening and President Bush won't miss out on the fun. At 1600 Pennsylvania Avenue, President Bush is having what he calls an SCHIP Halloween. It's all trick, no treat. He's preventing health care coverage for millions of kids.

DRUG SMUGGLERS USE FAKE GOVERNMENT TRUCKS

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

Mr. POE. Madam Speaker, the drug smugglers have gotten smarter. They now disguise vehicles they are using to smuggle drugs into America to look exactly like Texas State transportation trucks. They mask them with official decals and even license plates; thus, making it easier to bring drugs into the United States.

Even though this criminal activity is highly organized, at least 11 drug dealers have been captured bringing thousands of dollars worth of drugs into our country using these fake State vehicles.

But when the U.S. Attorney prosecuted these criminals, they received relatively light sentences. Some people received only fines. One received 24 months in prison, far less than the 11- and 12-year sentences that Border Agents Ramos and Compean received when they were prosecuted by the same U.S. Attorney for wounding a drug smuggler on the border.

The U.S. Attorney's weak prosecution of drug smugglers is disturbing. The U.S. Attorney's Office seems to be more interested in prosecuting border agents than it is in prosecuting the real criminals that bring drugs into our country. The overwhelming message here is that a measly fine is just a cost of doing business: the drug smuggling business in America.

And that's just the way it is.

MISPLACED PRIORITIES

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

Mr. JOHNSON of Georgia. Madam Speaker, within the last month, the American people have seen just how misplaced President Bush's priorities are when it comes to addressing the needs of hardworking Americans.

Earlier this month, the President vetoed a bipartisan bill that would have provided 10 million children private health insurance through the SCHIP program. The bill cost an additional $35 billion over the next 5 years, and would have allowed us to receive 4 million more uninsured children. Instead, the President suggested a mere $5 billion increase, which would lead to more than 800,000 children losing their health insurance coverage.

Contrast that with the President's announcement last week that he was requesting an additional $189 billion in emergency funds over the next year for the war in Iraq, which was $42 billion higher than originally thought.

Fortunately, most Americans, Senators and Governors have caught on to the President's misplaced priorities. But Republicans here in the House continue to blindly follow this President. And just as they refused to join us last week in standing by these 10 million kids, House Republicans will most likely sign off on the President's war funding request without ever asking a single question.

PRAYER BAN OVERTURNED

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

Mr. PENCE. Madam Speaker, since the American founding, acknowledging God has been at the center of American experience. Today, for example, Congress opened our day in prayer. And thanks to the Seventh U.S. Circuit Court of Appeals, the Indiana General Assembly can open in prayer again.

In November of 2005, U.S. District Judge David Hamilton ruled that opening prayers in the Indiana House of Representatives could not mention Jesus or endorse a particular religion. Then-House Speaker Brian Bosma appealed the decision; and yesterday, in a 2–1 opinion, the court overruled that decision.

I commend the Seventh U.S. Circuit Court of Appeals, and I particularly rise to commend the tenacious and principled leadership of Republican minority leader Brian Bosma. Because of his efforts, Hoosiers can continue our long tradition of acknowledging God in the public square and in the well of the people's State House.

DEMOCRATS EXERCISE FISCAL DISCIPLINE

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

Mr. KLEIN of Florida. Madam Speaker, this summer the Democrat-led House completed work on all 12 appropriations bills that fund the Federal Government for the upcoming year. Each bill restores fiscal responsibility, ensures that taxpayer dollars are spent wisely, and was passed with bipartisan support. Our bills will not add money to the Federal deficit because we kept our promise to adhere to pay-as-you-go rules.

Yesterday, financial watchdogs, including the Center for Budget and Policy Priorities, the Concord Coalition and the Committee for a Responsible Federal Budget praised the new Congress for our strict adherence to the PAYGO rules.

Contrast that praise with the Bush administration's record of turning record surpluses into record deficits. President Bush has borrowed more money from foreign nations than all 42 of his predecessors combined.

Yet the President threatens to veto our appropriations bills because he says they are excessive. Does he really oppose important investments in veterans health care, pay raises for active duty soldiers, funding for more cops on our streets, and funding for life-saving medical research?

Americans need to send a message to President Bush to get his priorities right.

NOT MUCH ACCOMPLISHED

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

Mr. STEARNS. Madam Speaker, an analysis of the accomplishments under Democrat control here in Congress for the 110th Congress has shown that not much has been accomplished. Let's take a look at it. There have been a thousand votes taken this year. When you look at those thousand votes, only 106 bills have been signed by the President. What are those bills? Well, 46 were naming of post offices, public buildings and bridges. Not much accomplishment there. And 44 bills were noncontroversial. Some were actually Republican bills. They had strong bipartisan support.

Fourteen of these bills were reauthorization of existing law that the Republicans developed and were just continuing. And two substantial, serious bills that passed this House, the FISA bill and the Iraq supplemental, passed without one member of the Democrat leadership supporting it.

That is all that has been accomplished, and I think the American people need to know. Lastly, not one appropriation bill has been sent to the President and the fiscal year is already over.

OUR CHILDREN'S HEALTH

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

Mr. CARNAHAN. Madam Speaker, the Children's Health Insurance Program is one of the most effective government programs of the last decade. For an investment of just $3.50 a day, we can ensure health care for that child who would otherwise fall through the cracks because their family makes too much for Medicaid but can't afford private health insurance.

This small cost is significantly less than the cost we all bear when uninsured children fail to receive preventative care and end up in our emergency rooms. Yet the President and about 10 of his Republican House supporters are all that stand in the way of covering 10 million American children.

Our bipartisan legislation will allow children who are already eligible for the program to see the doctor of their family's choice so they don't have to resort to an emergency room for their primary care.

Madam Speaker, it is time for our Republican colleagues in this body to join us in ensuring that all American children have a healthy start in life. The future success of our Nation depends on the health and well-being of our children. It is time for the obstructionists to get out of the way. Let's get the job done.

FUND OUR VETERANS

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

Mrs. DRAKE. Madam Speaker, this is day 31. That is 31 days so far that our veterans have not had the use of the increased funding for their benefits in health care. That is $18.5 million a day not able to be used. And why? Because the Democratic leadership has decided to not complete this bill and send it to the President who has agreed to sign it.

In June, this House passed this appropriation bill with a $6 billion increase in a bipartisan manner. We were proud of our work and grateful to our veterans. On September 6, the Senate passed their bill. This work is done.

Our veterans are not pawns in a political game. They are heroes. America expects us to get the job done. America expects us to provide the best care for our veterans. Please join me in calling upon the Democratic leadership to put our veterans first and send this bill to the President now.

PROTECT SEXUAL TRAFFICKING VICTIMS

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

Mrs. MALONEY of New York. Madam Speaker, today the House Judiciary Committee will hold a hearing on the Trafficking Victims Protection Act. Sex trafficking has been called the slavery issue of the 21st century. And because girls and women are its victims, it is one of the great women's issues of our time.

The lives of trafficking victims are pure horror. These photographs that are in the current issue of Prism magazine include mug shots or photographs of trafficked women arrested for prostitution over periods ranging from 1 to no more than 3 years.

Better than words could ever convey, the photos display the destruction that takes place for hundreds of thousands of trafficked girls and women. Notice how when they were first arrested, they all look distinctly different. But in the end, they all look the same. You cannot tell the difference from one to the other. That is because they have been abused, psychologically battered, broken and devastated at the hands of their pimps.

We need effective prosecution strategies against their traffickers.

We need to protect the victims of the sex trade industry and punish the predators who exploit them.

DECREASE TAX BURDEN

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

Mr. PITTS. Madam Speaker, last week the Ways and Means Committee chairman outlined the provisions of what he has been calling the ''mother of all tax bills.''

The most important piece of information about this proposal is the bottom line. The proposal would mean a multi-trillion-dollar tax increase on the American taxpayer.

I think this is a good moment to take a step back and look at the philosophical difference between Republicans and Democrats. On this side of the aisle, we simply believe people know how to spend their money better than the government. But just look at the legislation passed in the House so far this year: $431 billion in tax increases have been included in bills that have already passed the House this year.

Madam Speaker, we should remember, no one knows how to spend their money better than the taxpayer. We should be looking for ways to decrease the tax burden, not increase it.

DEMOCRATS MOVE AMERICA IN NEW DIRECTION

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

Mr. PALLONE. Madam Speaker, last November Democrats listened to the American people. But, unfortunately, President Bush continues to ignore them. Democrats promised to take our Nation in a new direction, and in many ways we have. We increased the minimum wage for the first time in a decade. We made Americans safer by fully implementing the 9/11 Commission recommendations. We also restored PAYGO rules so that Congress lives within its means.

We are proud of our accomplishments, but an intransigent President is blocking our efforts to do more. Lifesaving cures to debilitating diseases remain out of reach because President Bush vetoed stem cell research legislation. Our soldiers continue to referee a civil war in Iraq because President Bush vetoed a bill that would have brought our troops home next year. And millions of children cannot see the doctor of their choice because President Bush vetoed bipartisan legislation that would provide health insurance to 4 million more kids.

Madam Speaker, while it is frustrating to deal with a President who continues to ignore the results of last year's elections, congressional Democrats will continue to move America in a new direction.

□ 1030

PROVIDING FOR CONSIDERATION OF H.R. 3920, TRADE AND GLOBALIZATION ASSISTANCE ACT OF 2007

Mr. WELCH of Vermont. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 781 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 781

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 3920) to amend the Trade Act of 1974 to reauthorize trade adjustment assistance, to extend trade adjustment assistance to service workers and firms, and for other purposes. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendment printed in part A of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. The bill, as amended, shall be considered as read. All points of order against provisions in the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate, with 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor; (2) the amendment in the nature of a substitute printed in part B of the report of the Committee on Rules, if offered by Representative McCrery of Louisiana or his designee, which shall be in order without intervention of any point of order except those arising under clause 9 or 10 of rule XXI, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

SEC. 2. During consideration of H.R. 3920 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

The SPEAKER pro tempore. The gentleman from Vermont is recognized for 1 hour.

Mr. WELCH of Vermont. Madam Speaker, for the purpose of the debate only, I yield the customary 30 minutes to the gentleman from California (Mr. DREIER). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Mr. WELCH of Vermont. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks.

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

There was no objection.

Mr. WELCH of Vermont. Madam Speaker, I yield myself as much time as I may consume.

Madam Speaker, H. Res. 781 provides for consideration of H.R. 3920, the Trade Globalization and Assistance Act of 2007, under a structured rule. The rule provides 1 hour of debate with 40 minutes equally divided and controlled

by the chairman and ranking minority member of the Committee on Ways and Means and 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor. Finally, the rule makes in order a substitute amendment to be offered by Representative MCCRERY of Louisiana, or his designee.

Madam Speaker, let me begin by saying what we all know. Trade can be a very good thing for the economy of this country, and this Congress and this Member of Congress is committed to examining any trade agreement that is brought before this House in two ways: one, whether the terms and provisions will improve the economy of this country; and two, whether there is a capacity to share the benefits that that trade agreement will bring to this economy, across all sectors of it.

And what we have to acknowledge on trade agreements, and really is the underpinning of this legislation brought before the House, is that there is significant dislocation that can occur with trade. There can be winners and there can be losers, and in the adjustment to some of the consequences that have adverse impact on many of our workers across this country, we must have a substantial and vigorous and effective assistance program to help workers who are hurt regain jobs, regain employment, improve their incomes and be part of this economy and be part of the benefits, not just the downside of trade.

I want to thank Chairman RANGEL, Chairman MILLER, Congressman LEVIN and Congressman SMITH for their diligence in putting together a very strong adjustment assistance package that we will vote for later today. Among many others, they have been working on this bill for nearly a decade.

Trade adjustment assistance hadn't been started in this country until 1962; even though trade has been a very difficult political issue for this country from its inception, where there were debates about tariffs. And in our days of our history, tariffs were used basically to protect our industries and allow them to get a foothold. And then trade barriers were gradually reduced, and what we're seeing as that happens is an increase in gross domestic product and wealth, but we're also seeing an increase in dislocation among many workers, and some of that is concentrated in many of the old industrial sectors of our country.

This legislation recognizes that impact and is attempting to substantially increase our ability to address the dislocation. That underpinning is essential for the consideration of any future trade packages that will be brought before this House.

The update is long overdue. H.R. 3920 expands trade assistance to the service sector. That was denied under the previous adjustment assistance legislation, even as more and more of our economy has become service-related and even as service sector jobs are being off-shored. So this change in trade adjustment assistance is long overdue and very necessary.

Too often workers are not provided with the training that they need under current training assistance bill. This bill doubles the current training fund cap to $440 million. Beyond expanding coverage to more workers, this TAA improves their training opportunities, as well as the all-important health care benefits.

Many of the folks who have been adversely affected by trade have come from older industries with strong unions where they had substantial and very important health care benefits. This trade adjustment assistance extends them.

It also creates new benefits for industries in communities that have been hardest hit by creating 24 manufacturing redevelopment zones to encourage the redevelopment of communities that have been hit the hardest by manufacturing decline.

What this legislation starts to understand is that one of the responses that we must have strategically to the acceleration of globalization is the intensification of localization. Our economies that have been hardest hit have to rebuild in part from the bottom up using the resources that we have in those communities, keeping dollars in those communities that can be reinvested and then create jobs and wealth in those communities.

Madam Speaker, one of the things that has been happening over the past generation is a widening gap between the highest and lowest paid among us. According to a 2006 survey conducted by the Wall Street Journal, the case right now is that the average CEO in the United States earns 262 times the pay of the average worker. It means that the CEO earned more in one work day than an average worker earned in the entire year.

And we have to look at this discrepancy because one of the actual facts that has to be recognized, whatever your position on trade, is that there has been this widening gap, and historically, this country has always been its best when we've had economic policies that have shared the wealth that is generated by people working hard in this country.

H.R. 3920 is an important bill for our economic stability and workforce growth. It's also a bill about fairness.

Madam Speaker, I reserve the balance of my time.

Mr. DREIER. Madam Speaker, I yield myself such time as I may consume, and on this beautiful day in our Nation's Capital, I wish you and our colleagues a Happy Halloween and say that it is an honor to be here on what is a very important piece of legislation.

I thank my friend for yielding me the customary 30 minutes and want to congratulate him on his very thoughtful statement and say that I consider him to be one of the most able Members of the new class that has come in. I hope my saying that doesn't jeopardize his standing in the Democratic Caucus, but I do appreciate his hard work on the Rules Committee.

I was prepared, Madam Speaker, to rise in support of this rule, but I've decided to oppose the rule, and the reason I've decided to oppose the rule is not the fact that we, for the first time in the 110th Congress, have a substitute made in order on a bill that has come forth from the Committee on Ways and Means. I should say at the outset that last night our colleague Mr. HASTINGS of Ft. Lauderdale, Florida, said that there was only one instance in the 109th Congress where an amendment was made in order by the then-majority for the consideration of a Ways and Means Committee bill, when, in fact, we researched that overnight and found that there were five instances, five instances in the 109th Congress where our majority, in fact, made in order an amendment to a Ways and Means Committee bill.

Madam Speaker, I would, at this point, include in the RECORD that statement which outlines those measures that we have put forward.

Bills referred to the Committee on Ways and Means considered under ''structured'' or ''modified closed'' rules in the 109th Congress:

1. H.R. 8—Death Tax Repeal Permanency Act of 2005.
2. H.R. 6—Energy Policy Act of 2005.
3. H.R. 4297—Tax Relief Extension Reconciliation Act of 2005.
4. H.R. 4437—Border Protection, Antiterrorism, and Illegal Immigration Control Act of 2005.
5. H.R. 4157—Health Information Technology Promotion Act of 2005.

Madam Speaker, so I do say that here we are on Halloween for the first time in this 10-month period of time having a substitute made in order, and I was, as I said, prepared to support the rule, but I've decided to oppose it. I decided to oppose it because of an article that I read in the Roll Call this morning which made it very clear that the Democratic majority is once again going down a path that they abandoned last summer, I'm happy to say, but they've unfortunately brought it to the forefront again, and that is the notion of casting aside the opportunity for the single bite at the apple that the minority has, and that is to offer the motion to recommit on measures.

Now, I know, Madam Speaker, that's a very inside baseball discussion, but our colleagues know that the motion to recommit is something that was often denied the Republican minority during the four decades before 1994, and when we won the majority in 1994, we made it very clear that we would, in fact, guarantee the minority, guarantee the minority a right to a motion to recommit, meaning at least one bite at the apple on a measure, even if all amendments were denied.

Now, this report has come forward that the distinguished Chair of the Committee on Rules, Ms. SLAUGHTER of

Rochester, New York, is in the midst of a discussion, and she said in this quote in the paper that she wants to not say that it is imminent but she wants to get it right, getting it right, shutting down the opportunity for the minority to have that single opportunity to address an issue in the bill. And so the mere fact that this has come to the forefront again, Madam Speaker, has led me to come to the conclusion that I can't be supportive of this rule that we're debating here today.

I will say that I am in opposition to the underlying legislation itself, but as I said, I'm very happy that we have the opportunity to debate a minority substitute for a major package from the Committee on Ways and Means.

Now, I mention this nearly 1-year period of time we've gone through, completed 10 months here, and we saw at the beginning of the Congress this wonderful document that I'm sure you've seen, Madam Speaker, that was put forward by Speaker PELOSI. It's entitled ''A New Direction for America.'' Now, in this document, she says that basically every measure that is considered here on the House floor, and I quote from this document. It says, ''should include procedure that allows an open, full and fair debate consisting of a full amendment process that grants the minority the right to offer its alternatives, including a substitute.''

Now, Madam Speaker, that was what was stated by Speaker PELOSI at the beginning of this Congress, and today, Halloween 2007, October 31, marks the first time, the first time in the 110th Congress that this opportunity for the minority has been availed us.

□ 1045

I will say that we have repeatedly considered in the Rules Committee Ways and Means measures, and we have repeatedly asked for a minority substitute to be made in order so that our constituents, and this has nothing to do simply with party, this has to do with the right of each Member of Congress who represents 600,000 and some people to have their opportunity to be heard here. Unfortunately, throughout this entire year, up until this point, every request for that minority substitute has, unfortunately, been denied.

I am happy that we are finally, today, allowing what I know will be a very thoughtful substitute that will be debated by my California colleague, Mr. MCKEON, the ranking Republican on the Committee on Education and Labor, as well as the ranking Republican on the Ways and Means Committee, our friend from Louisiana (Mr. MCCRERY).

I do commend my colleagues on the Rules Committee, the majority on the Rules Committee, for taking this first step. I hope very much that it is a sign of a new day at the Rules Committee. I hope that we will have this greater transparency, openness and bipartisanship which we were promised at the beginning of this year.

The underlying bill was actually a good place to start with this, in part, because the issue in question is so important, and, in part, because the proposal that has been reported from the Ways and Means Committee is in such dire need of improvement, that's why I believe that this substitute is one which should be able to enjoy very strong bipartisan support.

Madam Speaker, as you know very well, and you have been involved in the trade debate since you have come to the Congress, and I suspect you were probably interested in it even before you came to the Congress, the issue of trade adjustment assistance is a very, very critical and important and a very well-intentioned program that does need to be reformed and modernized in order to effectively help American workers compete in the worldwide marketplace. My friend from Vermont talked very thoughtfully about the issue of globalization and the fact that we have seen a dramatic improvement in our gross domestic product growth.

In fact, just this morning, I know it surprised many, we got the report that we have a 3.9 percent GDP growth rate annualized, the report that came from the Commerce Department this morning, demonstrating that opening up new markets and developing opportunities for U.S. workers and consumers has, in fact, been a positive. I will acknowledge, and I know we are going to be hearing a lot of sob stories through this debate, and, frankly, I am sympathetic with those sob stories, the stories about people who have been victimized by trade.

But I have got to say that one of the sad things that I have observed in the debate on trade is that it is blamed for virtually every ailment of society. In fact, I often am reminded of the fact that one time a constituent came up to me a couple of years ago and said we didn't have a single illegal immigrant coming from Mexico into the United States until you passed the North American Free Trade Agreement.

We know very well that the North American Free Trade Agreement has actually created a third of a trillion dollars in cross-border trade between the United States and Mexico. I argue that the problem of illegal immigration would have been dramatically worsened had we not put into place the trade agreement which has improved the quality of life and the standard of living in both countries.

I will say that the middle-class population in Mexico today is larger than the entire Canadian population, and that is by virtue of the fact that we have seen economic growth take place in Mexico that is a by-product of the North American Free Trade Agreement.

But having said all of that, as we will continue to rage on with the debate on the benefits of trade as we face, I hope, in the coming weeks and months the trade agreements for Peru, Panama, Colombia and South Korea, I will recognize that there are some sectors of our society that have not benefited from trade, and that's why we are here today. We are here today to recognize that it is very, very important for us to do everything possible to address the concerns of those workers who have been negatively impacted by trade.

Unfortunately, what the Democrats have done is to take an inefficient program and compound the inefficiencies and inadequacies and block all efforts to build more accountability into the system, which we all believe is very important. Then they intend to self-execute the fusion of this ill-advised proposal with another bill that imposes massive new regulations on American job creators. Perhaps most troubling is that this bill opens the door for TAA benefits to be granted to illegal immigrants. If we look at that problem, potentially having illegal immigrants benefiting from the program, if we look at the regulatory burden which is going to impinge on those who are creating jobs, I think we have got to recognize that we have a lot of work to do on that. I believe the substitute is the best answer.

The Democratic majority has tried to distract us all from the mess they have created by throwing billions of dollars at the problem. Of course, since money sadly does not grow on trees, the Democratic majority has once again resorted to raising taxes to pay for their boondoggle that won't actually do what they claim, in this case helping American workers deal with job loss. In fact, by saddling businesses, large, medium and small, with hefty new regulations, they are further diminishing our economic competitiveness and, in fact, exacerbating the problem that they purport to address with the measure that they have brought forward.

How the Democratic majority can say with a straight face that they want to help workers and yet are determined to shut down the job creators is beyond me. Whoever said irony was dead should just turn to C–SPAN. It's alive and well here on the House floor.

The challenges facing Americans in 2007 are very, very different than the challenges of just a few years ago, let alone when the TAA was established. Fundamentally, we are still striving for the same things we always have, good jobs that allow us to provide for our families and ensure a better life for our children. But we are achieving these goals in very different ways, and facing very different obstacles. The reality is that opportunity and challenge often go hand in hand.

One enterprising young entrepreneur may be very successful at tapping into the global economy, finding clients and contractors all over the world, allowing businesses to grow here at home and creating lots of good, well-paying jobs for Americans. But the company down the street might not navigate the effects of globalization so successfully. It may find itself struggling to compete with Indian software designers or

Polish manufacturers or Australian marketing firms. The opportunities are limitless, but the challenges are broad-based. Limiting our focus to just those whose jobs are directly impacted by trade is a hopelessly narrow and simplistic approach. Trade is just one factor in the ever-churning economy that we face.

As I said, unfortunately, there is this tendency by many, the moment they witness any kind of change, the moment they witness any kind of displacement, the moment they witness any kind of problem at all, they want to blame it on trade, and that is just plain wrong.

There are new technologies growing exponentially and changing the nature of jobs and job creation irreversibly.

There are new competitors halfway across the globe that are in the marketplace whether we trade with them or not. There are 100 million Chinese workers who have been lifted out of abject poverty and are entering the middle class for the first time ever. Madam Speaker, you know as a proponent of trade that these are all good things, but we have to change our thinking in a very broad way if we don't want to drown in a sea of changes that we aren't prepared to navigate.

We need better math and science education from kindergarten all the way up. We need to make adult continuing education a part of everyday life. We need to enhance the financial literacy of American families. We need an economic agenda that is focused on growth and competitiveness, including opening up new markets for American producers and service providers. In other words, we need policies that assure that individuals are always finding new and better job opportunities.

When all else fails, we need worker assistance programs that help all workers get the training they need throughout an entire lifetime in an effective way that actually allows them to continue to climb up the economic ladder. We need programs that help to keep workers competitive, regardless of why they have lost their jobs. Whether the blame lies with technology, lost competitiveness, or simply dying industries that are going the way of blacksmiths and buggy whip makers, the only thing that matters is that every American can find a job and remain upwardly mobile throughout a lifetime.

As I said, Mr. MCCRERY and Mr. MCKEON have crafted a very thoughtful substitute that would work to accomplish just that. It would integrate trade adjustment assistance into other Federal worker programs so that we can help all workers facing tough times to get the training they need to remain competitive. Let me say again, we are very, very committed to ensuring that those workers who are facing tough times because of displacement that has come about due to trade agreements, that their concerns and their needs are addressed.

It would integrate trade adjustment assistance, as I said, in other Federal worker programs. In particular, it focuses on the Workforce Investment Act which has, as we all know, been very, very effective. This substitute would provide greater flexibility for workers so that they can actually get their training and education while they work, over a longer period of time. It would bring trade adjustment assistance into the 21st century, broadening its focus to reflect the new realities of the worldwide marketplace. It would ensure that the program remains accountable so that we can assure the taxpayers that their money is being spent in an effective and an efficient way. It would do all this without raising a single tax or creating any additional barriers to innovation and entrepreneurship.

This very thoughtful substitute is based on the premise that broad, far-reaching challenges demand broad, far-reaching solutions. And it is based on the very logical and simple fact that workers don't benefit when government puts job creators out of business. The Democrats' bill, on the other hand, takes a very narrow and flawed approach, while drastically increasing the money that we are wasting. Only the Democrats could manage to think small and spend big all in the same bill.

I hope today we can have a meaningful debate on the important issue of enhancing the competitiveness of the U.S. economy and ensuring that American workers, all workers, have access to new and better opportunities. I believe that our substitute gets us closer to that goal, and I anxiously look forward to the debate on this proposal.

With that, I reserve the balance of my time.

Mr. WELCH of Vermont. Madam Speaker, I just want to read one section from the bill to allay the apprehensions about benefits going to illegal aliens: section 226, Restriction of Eligibility For Program Benefits, states very specifically that ''no benefit allowances, training or other employment services may be provided under this chapter to a worker who is an alien, unless the alien is an individual lawfully admitted for permanent residence in the United States.''

At this time, Madam Speaker, I yield 4 minutes to the gentlewoman from California, a member of the Rules Committee, Ms. MATSUI.

Ms. MATSUI. I thank the gentleman from Vermont for yielding me time.

Madam Speaker, I rise today in strong support of the rule and the underlying legislation, the Trade and Globalization Assistance Act of 2007.

I want to congratulate Chairman RANGEL and members of the Ways and Means Committee on bringing this bill before us.

In 1962, Congress and President Kennedy created the Trade Adjustment Assistance Program to protect American workers and communities adversely impacted by international trade.

□ 1100

Back then, our Nation enjoyed a large trade surplus, our manufacturing industry was thriving, and our economy was moving forward.

By establishing the TAA program then, our Nation had the foresight to recognize that even when economic times were good, international trade and development could also cause a rift in our workforce and in our communities.

Now it is our time to provide the foresight for future generations of workers and companies who will face the continued pressure of globalization. The mark of a strong Nation is this ability to create a vision for itself and to adapt to that vision.

Like our economy, the TAA must change and evolve to meet the new challenges of the day. Under current law, the TAA program only offers benefits to those workers who lost their jobs in the manufacturing industry due to international trade.

Today, no sector in our economy is safe from outsourcing or trade activities. We are seeing IT jobs, call center jobs, and other U.S. service jobs move abroad.

Our commitment to the American worker is more important now than ever before. It is critical to continue to improve the benefits for displaced workers. But it is also essential that we not ignore other sectors of the economy that have been hard hit by outsourcing or trade competition.

That is why I'm pleased that the bill before us today expands current TAA coverage to include the service workers. More than 70 percent of our workforce today is in the service industry. Updating the TAA program to reflect this shift in the workforce is essential to the long-term health of our country.

This bill also improves health care benefits in the TAA program to make it a more affordable option for our workers. This bill also doubles the current funding to better train and relocate displaced workers.

Madam Speaker, the impact of globalization on our economy is not limited to workers. These affected workers reside in communities that experience massive job losses due to unfair trade practices. This bill attempts to help those communities get back on their feet.

Now more than ever, the Trade Adjustment Assistance Program is needed to position our workforce and economy at the forefront of an increasingly global economy. This bill moves us forward in the right direction.

Madam Speaker, Congress needs to be a partner to the communities in which we serve. This bill lays the groundwork for that. The Trade and Globalization Assistance Act of 2007 represents a big step in the right direction.

Mr. DREIER. Madam Speaker, I'd like to reserve the balance of my time, if I might.

Mr. WELCH of Vermont. Madam Speaker, I yield 5 minutes to the gentlewoman from Ohio (Ms. SUTTON), a member of the Rules Committee.

Ms. SUTTON. Madam Speaker, I support the TAA reauthorization and appreciate the important improvements this legislation makes in the program. But, unfortunately, there's a larger problem at work, and TAA only addresses the symptoms, not the cause.

So-called free trade has been anything but free. Our current trade policies have been devastating for communities in northeast Ohio and across this Nation. One only has to look at our record trade deficit and this growing TAA program to see this reality.

Madam Speaker, people across this country know that our trading system is broken. The fact is TAA became necessary because this country kept entering into unfair and harmful trade agreements that cost American workers their jobs and hurt businesses and communities.

While reauthorizing and improving the TAA program is important, what our working families really need are trade policies that do not jeopardize American jobs in the first place.

In just the last 7 years, we've lost more than 3 million manufacturing jobs in this country, and more than 200,000 in Ohio alone. Some estimates attribute more than 50,000 of Ohio's job losses directly to NAFTA. And we've seen the consequence of this job loss in the record numbers of families in foreclosure, and in families falling off of the health care rolls, and families sustaining benefits going out the window. These are families full of proud, hard-working Americans who have had their futures and opportunities undercut by our trade policies. It doesn't have to be that way. This country owes these workers the kind of assistance TAA aims to offer, because we must remember that very often it was our Nation's broken policies that set in motion the loss of their jobs. And because of this, it's this government's moral responsibility to try and help them land on their feet.

But wouldn't it have been better if those jobs had never been lost? And wouldn't it be better, Madam Speaker, to fix our broken policies so that they no longer allow other countries to engage in unfair trade tactics that leave U.S. businesses at a disadvantage and U.S. workers out of jobs?

This reauthorization bill recognizes the disastrous consequences that poorly conceived trade agreements such as NAFTA, CAFTA and the proposed Peru, Colombia, Panama and South Korean free trade agreements have had and will continue to have for our manufacturing and service industries.

Make no mistake. Our policies must not just sound good on paper. They must work for our businesses, our workers, our farmers, and our communities. Indeed, they must work and be fair to this country. If this Congress does not act on this reality which is being felt in places like Lorain and Akron and in districts across this country, we'll need more and more TAA programs every year as more and more American workers are let down by a broken and mismanaged system.

Madam Speaker, all the good intentions and helpful programs in TAA cannot disguise the fact that we're going about things backwards. We should start with American workers and communities, and end with multinational corporations, not the other way around. We must make sure that our trade policies do not leave our businesses and workers at an unfair disadvantage or provide incentives to move jobs offshore.

Many displaced workers have been turned away from TAA in Ohio in the past, due to chronic underfunding and complex eligibility rules and requirements. And for others it's been very difficult finding new good-paying jobs to support their families. In Ohio, only 65 percent of workers laid off between 2003 and 2005 had found new jobs by 2006, and only two-thirds of those jobs were remotely of similar pay.

And while the improved funding and expansions provided by this bill are welcome and certainly overdue, the most important message we should take away from this TAA reauthorization is the fact that it recognizes how much damage has been caused by our broken trade policies.

We should reauthorize this program, and I certainly appreciate the improvements in the bill. But as I said earlier, TAA only addresses the symptoms, not the cause.

We know what the problems are, and American workers and businesses are facing them every day. It is time for this Congress to step up and recognize the reality that millions of Americans are facing these issues due to our broken trade policies and finally take real and effective action.

Mr. DREIER. Madam Speaker, I'd like to continue to reserve the balance of my time.

Mr. WELCH of Vermont. Madam Speaker, I yield 4 minutes to the gentleman from New York (Mr. ARCURI), a member of the Rules Committee.

Mr. ARCURI. Madam Speaker, my colleague from the Rules Committee talked about the fact that the American people would hear sob stories. Well, I don't know if I have a sob story to tell, but I certainly have a true story to tell about the people in my district and how they have been affected by trade.

I rise today in strong support of the rule and the Trade Globalization Assistance Act. Unfortunately, it seems some of my colleagues only want to focus on the long-term effects of trade and globalization and neglect the short-term consequences.

Trade clearly creates an ebb and flow of jobs coming and going, and we have been hearing that. The problem in my district is, while the jobs have been going, they have not been coming back. The high-tech, the high-quality, high-paying jobs have not come back to my district. We have only seen the grave loss of jobs.

Over the last 30 years, my upstate New York district has been devastated by job loss. The fact is that since 1974, employees of businesses in my district have applied for trade adjustment assistance 227 times.

This is a list of some of the companies that have applied. They're companies like Utica Cutlery, Chicago Pneumatic, Oneida Ltd., General Electric, IBM, Smith Corona, Burrows Packaging. These were keystone companies in upstate New York economy, and in most cases, these companies ended up closing their doors.

It's important to look at commercial air travel in our district and how that's been affected by the loss of business as a result of trade. In our district, the Syracuse Airport during the 1970s serviced about 1.6 million flights a year. The Oneida County Airport, 750,000 flights a year. Today the Syracuse Airport has 1.2 million flights, and the Oneida County Airport is closed. That's well over a million flights a year that used to fly out of central New York that no longer do. The reason? The loss of jobs, the loss of business, and the loss of people.

The drastic loss of business and slow recovery creates a dilemma that the Trade and Globalization Assistance Act seeks to address. Most notably, the legislation provides for creation of 24 manufacturing redevelopment zones to encourage the redevelopment of communities that have suffered substantial decline in their manufacturing base.

The legislation also doubles the amount of training funds from $200 million to $440 million, so that workers eligible for TAA training are no longer turned away because the program has been inadequately funded.

Madam Speaker, we have to be realistic about trade and we need to empower our workers with adequate training services. The Trade and Globalization Assistance Act is not a government handout. It's not wasteful Federal spending. It's a way to be helpful to Americans who now need our help. And after all, isn't that what government is all about, the ability to help people who need it when they need it?

This is a good act, this is a good rule, and it's a very good bill. It's a commonsense plan to address the short-term consequences and long-term effects of trade globalization.

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

And I would say to my good friend from New York that I think he's taken out of context my use of the term ''sob story.''

Now, as I said, I am a strong proponent of trade adjustment assistance and want to do everything that I possibly can to ensure that workers who have been negatively impacted by any kind of trade agreement are, in fact,

able to receive the training and the benefits that can help them improve their standard of living and their quality of life.

But, Madam Speaker, when I was using the term ''sob story,'' what I was talking about is the fact that time and time again we have demands made on those job creators out there, demands made of job creators which undermine their ability to create jobs and opportunities for people so that they can succeed. And then we, unfortunately, are faced with complaints coming from those people who are negatively impacted by the demands of policies that they have made to increase the regulatory burden, to increase the tax burden, which prevents those who are struggling to create new opportunities for U.S. workers from having an opportunity.

It looks like my friend would like me to yield to him. I am happy to yield to my friend.

Mr. ARCURI. You talked in your statement about the increase in the middle class of China, and that's a wonderful thing. But I'm concerned about the middle class here in this country.

Mr. DREIER. If I can reclaim my time, Madam Speaker, the point that I try to make on trade is that it is a win-win. As I said in my statement, we have just this morning gotten the news of a 3.9 percent Gross Domestic Product growth rate, annualized, which is the largest growth rate that we've had in a year and a half.

Now, I recognize that we have problems out there with the subprime market. We have lots of difficulties with which we're trying to contend.

I think it's very important, Madam Speaker, for us to note that as we deal with these problems they are not trade related. They are not trade related. In fact, the standard of living, quality of life, 3.9 percent GDP growth rate that we're enjoying is due to the fact that we are in the midst of prying open new markets for U.S. workers so that they can sell to them.

As I said in the Rules Committee last night, Madam Speaker, 96 percent, 96 percent of the world's consumers are outside of our borders. The world has access to our consumer market. The world can sell to the consumers in New York, in California, and in other States as well. That has helped improve the quality of life and the standard of living for the American people. And so as that has happened, we have access to our market, but unfortunately, those other markets around the world are not as open as ours.

What is it that these agreements do that have been negotiated with Peru, Panama, Colombia and South Korea, and I hope, Madam Speaker, that we can do many more of these agreements. What they do is they pry open their markets for U.S. goods and services.

□ 1115

For example, in Colombia, the tariff rate on U.S. goods going into Colombia is 11 times greater than the tariff rate on Colombian products coming into the United States.

So, Madam Speaker, what we are saying is we want to create opportunities for U.S. workers so that they can export more. And, yes, if there is some displacement, we want to do everything that we possibly can to ensure that those workers who are negatively impacted by trade are, in fact, able to be trained and have the assistance that they need.

With that, I would like to inquire of the Chair how much time is remaining on each side.

The SPEAKER pro tempore. The gentleman from California has 8 minutes. The gentleman from Vermont has 11½ minutes.

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

Mr. WELCH of Vermont. Madam Speaker, I yield 1 minute to the gentleman from New York (Mr. ARCURI).

Mr. ARCURI. I would just simply say that those are fine words and 3.1 percent is wonderful.

Mr. DREIER. It's 3.9.

Mr. ARCURI. I'm sorry, 3.9 percent. The problem is that that 3.9 percent can go to the people who are unemployed and, frankly, do nothing whatsoever for them because they are out of work as a result of loss of jobs, the people in upstate New York, the people in Ohio, the people in the Northeast who have lost their jobs as a result of trade. You can talk about what the percentages are and how much the GDP grew, but the fact of the matter is they have lost their job and they are out of work. Today we are here to help those people that have lost their job by supporting this rule and by passing this bill because this will help them in the short term to make it until they find new employment.

Mr. DREIER. Madam Speaker, will the gentleman yield?

Mr. ARCURI. I yield to the gentleman from California.

Mr. DREIER. I thank my friend for yielding.

Madam Speaker, I will say I completely concur with my friend on the need for us to ensure that those who are negatively impacted by trade are, in fact, benefited.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

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

The point that I am trying to make is that people who are impacted on a wide range of other factors that are not trade related are not those who should be directly benefiting from this.

We need to look at ourselves, what it is that we as a Nation can do to ensure that those individuals about whom my good friend has just spoken, who are laid off and are looking for new opportunities and want to have an opportunity to succeed, we need to look at what policies we can pursue in ensuring that we create the kind of opportunities those people deserve. Because right now government policies with a tax and regulatory policy and a lack of opportunity to sell in new markets around the world, because we have not proceeded with those trade agreements, are the things that are jeopardizing the ability for those U.S. workers to find the kind of opportunities they need.

With that, Madam Speaker, I reserve the balance of my time.

Mr. WELCH of Vermont. Madam Speaker, I have no further requests for time. I will reserve the balance of my time until the gentleman has closed for his side and yielded back his time.

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

A couple of things. At the outset, Madam Speaker, I referred to a statement that was made by my good friend from Fort Lauderdale on the Rules Committee last night when he said that there was only one opportunity in the 109th Congress for an amendment to be made in order for a Ways and Means Committee bill when, in fact, we researched that, as I said, and Mr. HASTINGS was absolutely wrong when he said it. We have five instances in the 109th Congress where we, in fact, did make in order amendments for Mr. RANGEL on the Ways and Means Committee for the consideration of measures.

Also stated last night, unfortunately, our friend from Worcester (Mr. MCGOVERN) made a statement that all trade adjustment assistance measures have been considered under suspension or closed rules. There was an item that was considered under suspension. As I said, if it's considered under suspension and passed, it means that there is clearly a strong bipartisan consensus because, as our colleagues know, Madam Speaker, one is required to have a two-thirds vote to make that happen.

But there was another bill that dealt with this issue. It was H.R. 3090, the Job Creation and Worker Assistance Act of 2002, and it was considered under a structured or modified closed rule in the 107th Congress and it provided then-Ranking Member RANGEL with an amendment in the nature of a substitute. So I just think it's important for us to make clear that we, in fact, did provide those kinds of opportunities.

Madam Speaker, as I said, I was prepared to support this rule. I do believe that it is a monumental accomplishment that, as we have gotten to October 31, Halloween, we are for the first time seeing a substitute made in order for the ranking member of the Ways and Means Committee, and I congratulate the Democratic majority, after having made this promise in January in a New Direction for America, that great document put forward by Speaker PELOSI in which the promise was made that amendments, open, full, fair debate, including a substitute, and it has taken us until October 31 before that has happened, but I celebrate,

Madam Speaker, the fact that we have finally gotten to this point. That was what was going to lead me to be supportive of this rule.

But then I picked up the Roll Call newspaper, one of our affectionately called ''rags'' on Capitol Hill here. On page 3 I looked, and I have a printout of it right here, the article goes through a press conference that the majority leader held yesterday and a statement by the very distinguished Chair of our committee, the gentlewoman from Rochester (Ms. SLAUGHTER), in which she said the following: ''Nothing is imminent. We want to take our time and do it right.''

Madam Speaker, what she is referring to is this quest that was launched by the Democratic majority to undermine the minority's right to offer a motion to recommit. Now, again, as I said earlier, this is all inside baseball, but the motion to recommit means that nearly half of the American people, through their elected representatives, Democrat or Republican, have a right to offer a motion to recommit.

There have been some very thoughtful motions to recommit, 21, 22 of them that have succeeded in this Congress. Madam Speaker, we are in the minority. They would not have succeeded had we not seen a large number of Democrats join, and in a number of cases they have been passed nearly unanimously on recorded votes. So now with what are described as simply political moves, which are, interestingly enough, very thoughtful proposals that have been propounded by the Members of the minority, we are being told that once again the majority is looking to deny nearly half the American people the right to be heard on one single instance. So for that reason, I am going to encourage my colleagues to vote ''no'' on the rule.

I am going to ask Members also to oppose the previous question on the rule so that I can amend the rule to allow the House to go to conference with the Senate on the Military Construction and Veterans Affairs appropriations bill, which passed this House with overwhelming bipartisan support.

There have been reports that the majority leadership is planning on playing a political game with our veterans and our men and women on the front lines by wrapping the Defense bill and the Veterans Affairs bill into the Labor, Health and Human Services bill.

The Military Construction bill could have been sent to the President's desk weeks ago, but the Democratic leadership was content to play political games with America's kids. All we have asked this majority to do is to simply come to the table and I am asking here today that we oppose the previous question so that I can make in order an amendment that would allow us to proceed with this.

I ask unanimous consent that the text of the amendment and extraneous material be inserted in the RECORD just prior to the vote on the previous question.

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

There was no objection.

Mr. DREIER. Madam Speaker, we are here discussing trade adjustment assistance, and it is designed to ensure that, we as an institution, will have an opportunity to, as I said earlier, open up those very important markets around the world. They're all relatively small, and the United States of America has a $13.3 trillion economy, the largest economy the world has ever known. We have lots of things that are trade-related that are beneficial to the United States of America. First and foremost is our national security. I think it is critical for us to proceed with passage of the Panama, Peru and Colombia free trade agreements for the security of this hemisphere. Similarly, the Korea agreement is very important because we all know about the challenges that exist on the Korean peninsula, and engaging in greater economic exchanges between and among these countries is very important for our Nation's security.

At the same time, Madam Speaker, it is important that we do what we can to ensure that we have the very important trade adjustment assistance for those Americans who are negatively impacted by trade.

With that, I am going to urge a ''no'' vote on the previous question. And if by chance the previous question proceeds, I am going to urge a ''no'' vote on this rule because of the kinds of things that the new majority is trying to do to undermine the rights of nearly half the American people.

With that, I yield back the balance of my time.

Mr. WELCH of Vermont. I thank the gentleman from California, my good friend and colleague on the Rules Committee, for his kind words and his usual vigorous argument for the point of view represented on his side.

A couple of things. One, this is a good opportunity for the House to have a full and fair debate on the substance of this legislation and on the substitute. We will have that debate, we will have the vote, and we'll see which side prevails. So I am delighted that all Members of the House are going to have a full and fair opportunity to make their case.

Second, before we get to the specific details on what is contained in this trade adjustment assistance, there is really a bottom line that has to be acknowledged and it's this: that the road to prosperity has to be built on a foundation of fairness. What has happened in this country, despite the economic growth of 3.9 percent most recently, the highest gross domestic product in the history of the world, over $13 trillion, is that average, everyday working people are falling farther behind.

We have had the greatest disparity in wealth in this country since the 1920s, and there is a fundamental question that we have to answer, and it's this: Are we going to include all Americans in the benefits of a rising economy, or are we going to pursue policies that allow for the intensification of that widening gap between the very wealthy and everyone else?

Our party has made a commitment to the basic proposition of democratic fairness that requires everyone to have an opportunity to participate in the benefits of a rising and strengthening economy. And that hasn't happened. But what we have done with the legislation we have brought before this House is essentially tried to build that foundation of fairness and provide a new direction on our economic agenda, one that includes all Americans.

Let me just give, Madam Speaker, a few examples. We raised the minimum wage, something that hadn't been done in over 10 years. We had people working harder, making less, many of them paying more in taxes because of the Social Security payroll tax increases than at any time in history. In the average families, they found themselves working two and three jobs in an effort to pay the light bill, in an effort to pay the fuel bill, losing health care.

We increased access to college education by taking a free ride away from the international banks that were literally getting a taxpayer guarantee in subsidized profits and gave that benefit to students so that their student loans were cut in half in the interest rate, from 6.8 to 3.4. We passed the child health care, which extends benefits to working families, basically, to 10 million children throughout this country, something our kids need.

□ 1130

And these are oftentimes the children of the working poor. These are folks working hard. They would rather not have to have any help, but they can't afford health care. We passed prescription drug price negotiation. Instead of giving away guaranteed legislated profits to the drug companies, we, in the House, it's languishing in the other body, required price negotiation so that we can get the benefit of lower prices that we're entitled to because of bulk purchasing.

We passed many provisions that are going to strengthen our small businesses across this country because we know the small business is a job creator. And we stood up to an administration, at a time when our veterans and our soldiers are doing more for this country than in recent memory, by passing the highest increase in the budget for veterans in the history of the Veterans Administration.

The bottom line here is that this Congress, this leadership has made a commitment to a new direction. And the new direction is the old-time values of making certain that workers, average families, and communities that are fully engaged as American citizens participate in the benefits of our economy.

Trade adjustment assistance is one more brick in that foundation of fairness. We can't have trade agreements

that are tilted so that the benefits are not shared and the burdens of dislocation are not shared.

So, Madam Speaker, I urge a ''yes'' vote on the previous question on the rule.

The material previously referred to by Mr. DREIER is as follows:

AMENDMENT TO H. RES. 781 OFFERED BY MR. DRIER OF CALIFORNIA

At the end of the resolution, add the following:

SEC. 3. The House disagrees to the Senate amendment to the bill, H.R. 2642, making appropriations for military construction, the Department of Veterans Affairs, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, and agrees to the conference requested by the Senate thereon. The Speaker shall appoint conferees immediately, but may declare a recess under clause 12(a) of rule I for the purpose of consulting the Minority Leader prior to such appointment. The motion to instruct conferees otherwise in order pending the appointment of conferees instead shall be in order only at a time designated by the Speaker in the legislative schedule within two additional legislative days after adoption of this resolution.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308–311) describes the vote on the previous question on the rule as ''a motion to direct or control the consideration of the subject before the House being made by the Member in charge.'' To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that ''the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition'' in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: ''The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition.''

Because the vote today may look bad for the Democratic majority they will say ''the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever.'' But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's ''American Congressional Dictionary'': ''If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business.''

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled ''Amending Special Rules'' states: ''a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate.'' (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon.''

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Mr. WELCH of Vermont. Madam Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mrs. TAUSCHER). The question is on ordering the previous question.

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

Mr. DREIER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on ordering the previous question will be followed by 5-minute votes on adoption of H. Res. 781, if ordered, and approval of the Journal.

The vote was taken by electronic device, and there were—yeas 224, nays 190, not voting 18, as follows:

[Roll No. 1021]

YEAS—224

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shadegg
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NAYS—190

Aderholt
Akin
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shays
Shimkus
Shuster
Simpson
Smith (NE)

Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—18

Alexander
Bachmann
Blackburn
Brady (TX)
Burgess
Carson
Cooper
Cubin
Davis, Lincoln
Dingell
Fortenberry
Jindal
Paul
Renzi
Schiff
Van Hollen
Weller
Wilson (OH)

□ 1154

Mr. SESSIONS and Mr. TIBERI changed their vote from ''yea'' to ''nay.''

Mrs. NAPOLITANO and Mr. SMITH of Washington changed their vote from ''nay'' to ''yea.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

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

RECORDED VOTE

Mr. WELCH of Vermont. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 222, noes 193, not voting 17, as follows:

[Roll No. 1022]

AYES—222

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NOES—193

Aderholt
Akin
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Taylor
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—17

Alexander
Blackburn
Carson
Cooper
Cubin
Davis, Lincoln
Dingell
Fortenberry
Jindal
Paul
Renzi
Roybal-Allard
Schiff
Van Hollen
Weldon (FL)
Weller
Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1203

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the question on agreeing to the Speaker's approval of the Journal.

The question is on the Speaker's approval of the Journal.

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

Mr. MANZULLO. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 222, nays 190, answered ''present'' 2, not voting 18, as follows:

[Roll No. 1023]

YEAS—222

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Buchanan
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castle
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Gerlach
Gillibrand
Gonzalez
Goode
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Kirk
Klein (FL)
Kucinich
Kuhl (NY)
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon

Michaud
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuster
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Sutton
Tanner
Tauscher
Taylor
Thompson (MS)
Tierney
Towns
Tsongas
Udall (NM)
Velázquez
Visclosky
Walberg
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (NM)
Woolsey
Wu
Wynn
Yarmuth

NAYS—190

Aderholt
Akin
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Deal (GA)
Diaz-Balart, L.
Diaz-Balart, M.
Donnelly
Doolittle
Drake
Dreier
Duncan
Ehlers
Ellsworth
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Giffords
Gilchrest
Gingrey
Goodlatte
Gordon
Granger
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kline (MN)
Knollenberg
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mitchell
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuler
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stupak
Sullivan
Terry
Thompson (CA)
Thornberry
Tiahrt
Tiberi
Turner
Udall (CO)
Upton
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (SC)
Wolf
Young (AK)
Young (FL)

ANSWERED ''PRESENT''—2

Gohmert
Tancredo

NOT VOTING—18

Alexander
Baird
Blackburn
Carson
Cooper
Cubin
Davis, Lincoln
Ellison
Hill
Jindal
McCaul (TX)
Neal (MA)
Paul
Renzi
Schiff
Van Hollen
Weller
Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

□ 1211

So the Journal was approved.

The result of the vote was announced as above recorded.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H. RES. 106

Mr. FORTUÑO. Madam Speaker, I ask unanimous consent to withdraw my cosponsorship of H. Res. 106.

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

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 294. An act to reauthorize Amtrak, and for other purposes.

S. 2198. An act to require the Architect of the Capitol to permit the acknowledgement of God on flag certificates.

S. 2265. An act to extend the existing provisions regarding the eligibility for essential air service subsidies through fiscal year 2008.

The message also announced that pursuant to section 2(b) of Public Law 98–183, as amended by Public Law 103–419, the Chair, on behalf of the President pro tempore and upon the recommendation of the Republican Leader, appoints Gail Heriot, of California, to the United States Commission on Civil Rights, for a term of six years.

TRADE AND GLOBALIZATION ASSISTANCE ACT OF 2007

Mr. RANGEL. Mr. Speaker, pursuant to H. Res. 781, I call up the bill (H.R. 3920) to amend the Trade Act of 1974 to reauthorize trade adjustment assistance, to extend trade adjustment assistance to service workers and firms, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3920

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Trade and Globalization Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

Sec. 101. Extension of trade adjustment assistance to services sector; shifts in production.
Sec. 102. Determinations by Secretary of Labor.
Sec. 103. Monitoring and reporting relating to service sector.

Subtitle B—Industry-Wide Trade Adjustment Assistance

Sec. 111. Industry-wide determinations.
Sec. 112. Notifications regarding affirmative determinations and safeguards.
Sec. 113. Notification to Secretary of Commerce.
Sec. 114. Restriction on eligibility for program benefits.

Subtitle C—Program Benefits

Sec. 121. Qualifying requirements for workers.
Sec. 122. Weekly amounts.
Sec. 123. Limitations on trade readjustment allowances; allowances for extended training and breaks in training.
Sec. 124. Special rules for calculation of eligibility period.
Sec. 125. Application of State laws and regulations on good cause for waiver of time limits or late filing of claims.
Sec. 126. Employment and case management services.
Sec. 127. Training.
Sec. 128. Prerequisite education; approved training programs.
Sec. 129. Eligibility for unemployment insurance and program benefits while in training.
Sec. 130. Administrative expenses and employment and case management services.
Sec. 131. Job search and relocation allowances.

Subtitle D—Health Care Provisions

Sec. 141. Modifications relating health insurance assistance for certain TAA and PBGC pension recipients.

Subtitle E—Wage Insurance

Sec. 151. Reemployment trade adjustment assistance program for older workers.

Subtitle F—Other Matters

Sec. 161. Agreements with States.
Sec. 162. Fraud and recovery of overpayments.
Sec. 163. Technical amendments.
Sec. 164. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.
Sec. 165. Collection of data and reports; information to workers.
Sec. 166. Extension of TAA program.
Sec. 167. Judicial review.
Sec. 168. Liberal construction of certification of workers and firms.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

Sec. 201. Trade adjustment assistance for firms.
Sec. 202. Extension of authorization of trade adjustment assistance for firms.
Sec. 203. Industry-wide programs for the development of new services.

TITLE III—UNEMPLOYMENT INSURANCE

Sec. 301. Short title.

Sec. 302. Special transfers to State accounts in the Unemployment Trust Fund.
Sec. 303. Extension of FUTA tax.
TITLE IV—MANUFACTURING REDEVELOPMENT ZONES
Sec. 401. Manufacturing redevelopment zones.
Sec. 402. Delay in application of worldwide interest allocation.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Since January 2001, the United States economy has lost nearly 3 million jobs in the manufacturing sector alone.

(2) Today, over 7.1 million people in the United States are unemployed, and nearly 1.2 million of those individuals have been unemployed for 6 months or longer.

(3) While the United States manufacturing sector has been the hardest hit by increased unemployment, the United States service sector has also seen declines as jobs have moved to low-cost labor markets, such as China, India, and the Philippines.

(4) Promoting the economic growth and competitiveness of the United States requires—

(A) opening substantial new markets for United States goods, services, and farm products;

(B) building a strong framework of rules for international trade to level the playing field for United States workers and businesses in all sectors of the economy; and

(C) helping those affected by globalization overcome its challenges and succeed.

(5) Congress created the trade adjustment assistance program in 1962 to provide United States workers who lose their jobs because of foreign competition with government-funded training and associated income support to enable such workers to transition to new, good-paying jobs.

(6) Unfortunately, the trade adjustment assistance program has not kept pace with globalization and it is failing to ensure that all workers adversely affected by trade receive the assistance they need and deserve.

(7) Workers in the service sector, who make up approximately 80 percent of the United States workforce, are ineligible for trade adjustment assistance.

(8) Inadequate funding for training leaves many dislocated workers without access to the retraining they need to find good-paying jobs.

(9) Unnecessary, unduly burdensome, and confusing program eligibility rules prevent workers from gaining access to benefits for which they are eligible.

(10) The health coverage tax credit suffers from fundamental flaws and, as a result, the credit is not being used by the vast majority of people who are eligible for it, despite a clear need for access to affordable health care.

(11) To meet the challenges posed by globalization and to preserve the critical role that United States workers play in promoting the strength and prosperity of the United States, the trade adjustment assistance program must be reformed.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

SEC. 101. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE TO SERVICES SECTOR; SHIFTS IN PRODUCTION.

(a) PETITIONS.—Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)(1)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''Secretary'' and inserting ''Secretary of Labor''; and

(ii) by striking ''or subdivision'' and inserting (or subdivision) or public agency (or subdivision); and

(B) in subparagraph (A), by striking ''firm)'' and inserting ''firm, and workers in a service sector firm or subdivision of a service sector firm, or public agency)''; and

(2) in paragraph (3), by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''.

(b) GROUP ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Subsection (a) of section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(A) in the matter preceding paragraph (1), by striking ''(including workers in any agricultural firm or subdivision of an agricultural firm)'' and inserting ''(other than workers in a public agency)'';

(B) in paragraph (2)—

(i) in subparagraph (A)(ii), by striking ''like or directly competitive with articles produced'' and inserting ''or services like or directly competitive with articles produced or services provided''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B)(i) there has been a shift, by such workers' firm or subdivision to a foreign country, of production of articles, or in provision of services, like or directly competitive with articles that are produced, or services that are provided, by such firm or subdivision; or

''(ii) such workers' firm or subdivision has obtained or is likely to obtain articles or services described in clause (i) from a foreign country.''.

(2) WORKERS IN PUBLIC AGENCIES.—Such section is further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) by inserting after subsection (a) the following:

''(b) ADVERSELY AFFECTED WORKERS IN PUBLIC AGENCIES.—A group of workers in a public agency shall be certified by the Secretary as eligible to apply for adjustment assistance under this chapter pursuant to a petition filed under section 221 if the Secretary determines that—

''(1) a significant number or proportion of the workers in the public agency, or an appropriate subdivision of the public agency, have become totally or partially separated, or are threatened to become totally or partially separated; and

''(2) the public agency or subdivision has obtained or is likely to obtain from a foreign country services that would otherwise be provided by such agency or subdivision.''.

(3) ADVERSELY AFFECTED SECONDARY WORKERS.—Subsection (c) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) in the matter preceding paragraph (1), by striking ''agricultural firm)'' and inserting ''agricultural firm, and workers in a service sector firm or subdivision of a service sector firm)'';

(B) in paragraph (2)—

(i) by inserting ''or service'' after ''related to the article''; and

(ii) by striking ''(c)(3)'' and inserting ''(d)(3)''; and

(C) in paragraph (3)(A), by striking ''it supplied to the firm (or subdivision)'' and inserting ''or services it supplied to the firm (or subdivision)''.

(4) DEFINITIONS AND ELIGIBILITY.—Subsection (d) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) by striking ''(d) For purposes of this section—'' and inserting ''(d) DEFINITIONS AND ELIGIBILITY.—For purposes of this section:''

(B) in paragraph (3), to read as follows:

''(3) DOWNSTREAM PRODUCER.——The term 'downstream producer' means a firm that performs additional, value-added production processes or services for a firm or subdivision, including a firm that performs final assembly, finishing, testing, packaging, or maintenance or transportation services directly for another firm (or subdivision), for articles or services that were the basis for a certification of eligibility under subsection (a) of a group of workers employed by such other firm (or subdivision).'';

(C) in paragraph (4)—

(i) by striking ''for articles'' and inserting '', or services, used in the production of articles or in the provision of services, as the case may be,''; and

(ii) by inserting ''(or subdivision)'' after ''such other firm''; and

(D) by adding at the end the following:

''(5) FIRMS IDENTIFIED BY ITC.—A petition filed under section 221 covering a group of workers from a firm or appropriate subdivision of a firm meets the requirements of subsection (a) if the firm is identified by the International Trade Commission under subsection (c), (d), or (e) of section 224.''.

(5) BASIS FOR SECRETARY'S DETERMINATIONS.—Such section is further amended by adding at the end the following:

''(e) BASIS FOR SECRETARY'S DETERMINATIONS.—

''(1) INCREASED IMPORTS OF SERVICES.—For purposes of subsection (a)(2)(A)(ii), the Secretary may determine that increased imports of like or directly competitive services exist if the customers of the workers' firm or subdivision accounting for not less than 20 percent of the sales of the workers' firm or subdivision (as the case may be) certify to the Secretary that such customers are obtaining such services from a foreign country.

''(2) SHIFT IN PRODUCTION; OBTAINING ARTICLES OR SERVICES ABROAD.—For purposes of subsections (a)(2)(B) and (b)(2), the Secretary may determine that there has been a shift in production of articles or provision of services, or that a workers' firm or public agency, or subdivision thereof, has obtained or is likely to obtain like or directly competitive articles or services from a foreign country, based on a certification thereof from the workers' firm, public agency, or subdivision (as the case may be).

''(3) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by the petitioner, the Secretary shall obtain the certifications under paragraphs (1) and (2) in such manner as the Secretary determines is appropriate, including by issuing subpoenas under section 249 when necessary.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.''.

(c) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) in the matter preceding paragraph (1), by striking ''chapter—'' and inserting ''chapter:'';

(2) in paragraph (1)—

(A) by inserting '', or employment in a public agency or appropriate subdivision of a public agency,'' after ''of a firm''; and

(B) by striking ''such firm or subdivision'' inserting ''such firm (or subdivision) or public agency (or subdivision)'';

(3) in paragraph (2), by striking ''employment—'' and all that follows and inserting ''employment has been totally or partially separated from such employment.'';

(4) by redesignating paragraphs (8) through (17) as paragraphs (10) through (19), respectively; and

(5) by inserting after paragraph (6) the following:

''(7) The term 'public agency' means a department or agency of a State or local government or of the Federal Government.

''(8) The term 'service sector firm' means an entity engaged in the business of providing services.

''(9) Except as otherwise provided, the term 'Secretary' means the Secretary of Labor.''.

SEC. 102. DETERMINATIONS BY SECRETARY OF LABOR.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) in subsection (b), by striking ''before his application'' and all that follows and inserting ''before the worker's application under section 231 occurred more than one year before the date of the petition on which such certification was granted.'';

(2) in subsection (c), by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''; and

(3) in subsection (d), by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''.

SEC. 103. MONITORING AND REPORTING RELATING TO SERVICE SECTOR.

(a) IN GENERAL.—Section 282 of the Trade Act of 1974 (19 U.S.C. 2393) is amended—

(1) in the heading, by striking ''**SYSTEM**'' and inserting ''**AND DATA COLLECTION**'';

(2) in the first sentence—

(A) by striking ''The Secretary'' and inserting ''(a) MONITORING PROGRAMS.—The Secretary'';

(B) by inserting ''and services'' after ''imports of articles'';

(C) by inserting ''and domestic provision of services'' after ''domestic production'';

(D) by inserting ''or providing services'' after ''producing articles''; and

(E) by inserting '', or provision of services,'' after ''changes in production''; and

(3) by adding at the end the following:

''(b) COLLECTION OF DATA AND REPORTS ON SERVICE SECTOR.—

''(1) SECRETARY OF LABOR.—Not later than 90 days after the date of the enactment of the Trade and Globalization Act of 2007, the Secretary of Labor shall implement a system to collect data on adversely affected workers employed in the service sector that includes the number of workers by State, industry, and cause of dislocation of each worker.

''(2) SECRETARY OF COMMERCE.—Not later than 1 year after such date of enactment, the Secretary of Commerce shall, in consultation with the Secretary of Labor, conduct a study and report to Congress on ways to improve the timeliness and coverage of data on trade in services, including methods to identify increased imports due to the relocation of United States firms to foreign countries, and increased imports due to United States firms obtaining services from firms in foreign countries.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 282 and inserting the following:

''Sec. 282. Trade monitoring and data collection.''.

Subtitle B—Industry-Wide Trade Adjustment Assistance

SEC. 111. INDUSTRY-WIDE DETERMINATIONS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding after section 223 the following:

''SEC. 223A. INDUSTRY-WIDE DETERMINATIONS.

''(a) INVESTIGATION.—Upon the request of the President or the United States Trade Representative, or the resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, with respect to a domestic industry, or if the Secretary certifies groups of workers in a domestic industry under section 223(a) pursuant to 3 petitions within a 180-day period, the Secretary shall promptly initiate an investigation under this chapter to determine the eligibility for adjustment assistance of—

''(1) all workers in that domestic industry; or

''(2) all workers in that domestic industry in a specific geographic region.

''(b) DETERMINATION REGARDING INDUSTRY-WIDE CERTIFICATION.—

''(1) DETERMINATION.—The Secretary shall, not later than 60 days after receiving a request or resolution described in subsection (a) with respect to a domestic industry, or making the third certification of workers in a domestic industry described in subsection (a), as the case may be—

''(A) determine whether all adversely affected workers in that domestic industry are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e); or

''(B) determine whether all adversely affected workers in that domestic industry in a specific geographic region are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e).

''(c) IDENTIFICATION AND CERTIFICATION.—

''(1) AFFIRMATIVE DETERMINATION.—

''(A) IN GENERAL.—Upon making an affirmative determination under subsection (b), the Secretary shall—

''(i) identify all firms operating within the domestic industry described in paragraph (1) or (2) or subsection (b) that are covered by the determination;

''(ii) certify all workers of such firms as a group of workers eligible to apply for assistance under this subchapter, without any other determination of whether such group meets the requirements of section 222.

''(B) OTHER REQUIREMENTS.—

''(i) IN GENERAL.—Each certification under subparagraph (A)(ii) shall specify the date on which the total or partial separation began or threatened to begin, except that—

''(I) with respect to a request or a resolution under subsection (a), such date may not be a date that precedes one year before the date on which the Secretary receives the request or resolution, as the case may be; and

''(II) with respect to the third certification of workers in a domestic industry described in subsection (a), such date may not be a date that precedes one year before the date on which the Secretary certifies the 3d such petition.

''(ii) INAPPLICABILITY.—A certification under subparagraph (A)(ii) shall not apply to any worker whose last total or partial separation from the firm occurred before the applicable date specified in clause (i).

''(2) NEGATIVE DETERMINATION.—If the Secretary makes a negative determination under subsection (b), the Secretary shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate of the reasons for the Secretary's determination.

''(3) PUBLICATION.—Upon making a determination under subsection (b), the Secretary shall promptly publish a summary of the determination in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination.

''(4) TERMINATION.—Whenever the Secretary determines that a certification under paragraph (1) is no longer warranted, the Secretary shall terminate the certification and promptly have notice of the termination published in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination under this paragraph. Such termination shall apply only with respect to total or partial separations occurring after the termination date specified by the Secretary.

''(d) OUTREACH.—Upon making a certification under subsection (c)(1) of eligibility for adjustment assistance under this chapter of a group of workers or all workers in a domestic industry, the Secretary shall notify each Governor of a State in which the workers are located of the certification.

''(e) REGULATIONS.—The Secretary shall, not later than 1 year after the date of the enactment of the Trade and Globalization Act of 2007, issue regulations for making determinations under this section, including criteria for making such determinations. The Secretary shall develop such regulations in consultation with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and the Secretary shall submit such regulations to each such committee at least 60 days before the regulations go into effect.

''(f) DOMESTIC INDUSTRY DEFINED.—In this section, the term 'domestic industry' means an industry in the United States, as that industry is defined by the North American Industry Classification System.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 223 the following:

''Sec. 223A. Industry-wide determinations.''.

(c) CONFORMING AMENDMENTS.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended—

(1) in section 225—

(A) in subsection (a), in the last sentence by inserting ''or 223A'' after ''223''; and

(B) in subsection (b)—

(i) in paragraph (1), by striking ''subchapter A of this chapter'' and inserting ''this subchapter''; and

(ii) in paragraph (2), by striking ''subchapter A'' and inserting ''this subchapter''; and

(2) in section 231—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking ''more than 60 days'' and all that follows through ''section 221'' and inserting ''on or after the date of such certification''; and

(ii) in paragraph (1)—

(I) in subparagraph (B), by inserting ''or 223A (as the case may be)'' after ''223''; and

(II) in subparagraph (C), by inserting ''or 223A(c)(4), as the case may be'' after ''223(d)''; and

(B) in subsection (b)—

(i) by striking paragraph (2); and

(ii) in paragraph (1)—

(I) by striking ''(1)'';

(II) by redesignating subparagraphs (A) and (B) as paragraph (1) and (2), respectively;

(III) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(IV) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

SEC. 112. NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS AND SAFEGUARDS.

(a) IN GENERAL.—Section 224 of the Trade Act of 1974 (19 U.S.C. 2274) is amended—

(1) in the heading, by striking ''**STUDY BY SECRETARY OF LABOR WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION**'' and inserting ''**STUDY AND NOTIFICATIONS REGARDING TRADE REMEDY DETERMINATIONS**'';

(2) in subsection (a), by striking ''Whenever'' and inserting ''STUDY OF DOMESTIC INDUSTRY.—Whenever'';

(3) in subsection (b)—

(A) by striking ''The report'' and inserting ''REPORT BY THE SECRETARY.—The report'';

(B) by striking ''his report'' and inserting ''the Secretary's report''; and

(C) by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''; and

(4) by adding at the end the following:

''(c) NOTIFICATIONS REGARDING AFFIRMATIVE SAFEGUARD DETERMINATIONS UNDER SECTION 202.—Upon issuing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry, under section 202, the Commission shall notify the Secretary and the Secretary of Commerce of that finding and the identity of the firms which comprise the domestic industry.

''(d) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER SECTION 421.—Upon issuing an affirmative determination of market disruption, or the threat thereof, under section 421, the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(e) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER TARIFF ACT OF 1930.—Upon issuing a final affirmative determination of injury, or the threat thereof, under section 705 or section 735 of the Tariff Act of 1930 (19 U.S.C. 1671d and 1673d), the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(f) NOTIFICATION OF INDUSTRY AND WORKER REPRESENTATIVES.—Whenever the Commission makes a notification under subsection (c), (d), or (e)—

''(1) the Secretary shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected, and any certified or recognized union or other duly authorized representatives of the workers in such industry, of the allowances, training, employment services, and other benefits available under this chapter, and the procedures under this chapter for filing petitions and applying for benefits;

''(B) notify the Governor of each State in which one or more firms described in subparagraph (A) are located of the Commission's determination and the identity of the firms; and

''(C) provide the necessary assistance to employers, groups of workers, and any certified or recognized union or other duly authorized representatives of such workers to file petitions under section 221; and

''(2) the Secretary of Commerce shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected of the benefits under chapter 3 and the procedures under such chapter for filing petitions and applying for benefits; and

''(B) provide the necessary assistance to firms to file petitions under section 251.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 224 and inserting the following:

''Sec. 224. Study and notifications regarding trade remedy determinations.''.

SEC. 113. NOTIFICATION TO SECRETARY OF COMMERCE.

Section 225 of the Trade Act of 1974 (19 U.S.C. 2275) is amended by adding at the end the following:

''(c) Upon issuing a certification under section 223 or 223A, the Secretary shall notify the Secretary of Commerce of the identify of the firm or firms that are covered by the certification.''.

SEC. 114. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 226. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

''No benefit allowances, training, or other employment services may be provided under this chapter to a worker who is an alien unless the alien is an individual lawfully admitted for permanent residence to the United States, is lawfully present in the United States, or is permanently residing in the United States under color of law.''.

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by adding after the item relating to section 225 the following:

''226. Restriction on eligibility for program benefits.''.

Subtitle C—Program Benefits

SEC. 121. QUALIFYING REQUIREMENTS FOR WORKERS.

(a) IN GENERAL.—Subsection (a)(5)(A)(ii) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended—

(1) by striking subclauses (I) and (II) and inserting the following:

''(I) in the case of a worker whose most recent total separation from adversely affected employment that meets the requirements of paragraphs (1) and (2) occurs after the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after such total separation,

''(II) in the case of a worker whose most recent total separation from adversely affected employment that meets the requirements of paragraphs (1) and (2) occurs before the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after the date of such certification,''; and

(2) in subclause (III)—

(A) by striking ''later of the dates specified in subclause (I) or (II)'' and inserting ''date specified in subclause (I) or (II), as the case may be''; and

(B) by striking ''or'' at the end;

(3) by redesignating subclause (IV) as subclause (V); and

(4) by inserting after subclause (III) the following:

''(IV) the last day of such period that the Secretary determines appropriate, if the failure to enroll is due to the failure to provide the worker with timely information regarding the date specified in subclause (I) or (II), as the case may be, or''.

(b) WAIVERS OF TRAINING REQUIREMENTS.—Subsection (c) of such section 231 is amended—

(1) in paragraph (1)(B)—

(A) by striking ''The worker possesses'' and inserting

''(i) IN GENERAL.—The worker possesses'';

(B) by moving the remaining text 2 ems to the right; and

(C) by adding at the end the following:

''(ii) MARKETABLE SKILLS DEFINED.—For purposes of clause (i), the term 'marketable skills' may include the possession of a postgraduate degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965) or equivalent foreign institution, or the possession of an equivalent postgraduate certification in a specialized field.''; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking ''may authorize'' and inserting ''shall authorize'';

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

''(B) DURATION OF WAIVERS.—A waiver issued under paragraph (1) by a cooperating State shall be effective for not more than 3 months after the date on which the waiver is issued, except that the State, upon reviewing the waiver, may extend the waiver for an additional period of not more than 3 months if the State determines that the waiver should be maintained.''.

(c) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section 231 is further amended by adding at the end the following:

''(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for trade readjustment allowances under this part shall be made by employees of the State who are appointed on a merit basis.''.

(d) CONFORMING AMENDMENT.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by striking subsection (b) and redesignating subsections (c) through (g) as subsections (b) through (f), respectively.

SEC. 122. WEEKLY AMOUNTS.

(a) IN GENERAL.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) in subsection (a)—

(A) by striking ''subsections (b) and (c)'' and inserting ''subsections (b), (c), and (d)'';

(B) by striking ''total unemployment'' the first place it appears and inserting ''unemployment''; and

(C) in paragraph (2), by adding at the end before the period the following: '', except that in the case of an adversely affected worker who is participating in full-time training under this chapter, such income shall not include earnings from work for such week that are equal to or less than the most recent weekly benefit amount of the unemployment insurance payable to the worker for a week of total unemployment preceding the worker's first exhaustion of unemployment insurance (as determined for purposes of section 231(a)(3)(B))'';

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following:

''(b)(1) Notwithstanding section 231(a)(3)(B), if an adversely affected worker who is participating in training qualifies for unemployment insurance under State law, based in whole or in part upon part-time or short-term employment following approval of the worker's initial trade readjustment allowance application under section 231(a), then for any week for which unemployment insurance is payable and for which the worker would otherwise be entitled to a trade readjustment allowance based upon the certification under section 223, the worker shall, in addition to any such unemployment insurance, be paid a trade readjustment allowance in the amount described in paragraph (2).

''(2) The trade readjustment allowance payable under paragraph (1) shall be equal to the weekly benefit amount of the unemployment insurance upon which the worker's trade readjustment allowance was initially determined under subsection (a), reduced by—

''(A) the amount of the unemployment insurance benefit payable to such worker for

that week of unemployment for which a trade readjustment allowance is payable under paragraph (1); and

''(B) the amounts described in paragraphs (1) and (2) of subsection (a).''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(1), by striking ''section 232(a)'' and inserting ''subsections (a) and (b) of section 232''; and

(2) in subsection (c), by striking ''section 232(b)'' and inserting ''section 232(c)''.

SEC. 123. LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES; ALLOWANCES FOR EXTENDED TRAINING AND BREAKS IN TRAINING.

Section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)) is amended—

(1) in paragraph (2), by inserting ''under paragraph (1)'' after ''trade readjustment allowance'';

(2) in paragraph (3)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''52 additional weeks'' and inserting ''78 additional weeks''; and

(ii) by striking ''52-week'' and inserting ''91-week''; and

(B) in the matter following subparagraph (B), by striking ''52-week'' and inserting ''91-week''.

SEC. 124. SPECIAL RULES FOR CALCULATION OF ELIGIBILITY PERIOD.

Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end the following:

''(g) SPECIAL RULE FOR CALCULATING SEPARATION.—Notwithstanding any other provision of this chapter, any period during which a judicial or administrative appeal is pending with respect to the denial by the Secretary of a petition under section 223 shall not be counted for purposes of calculating the period of separation under subsection (a)(2) or for purposes of calculating time periods specified in section 231(a)(5)(A).

''(h) SPECIAL RULE FOR JUSTIFIABLE CAUSE.—The Secretary may extend the periods during which trade readjustment allowances are payable to an adversely affected worker under paragraphs (2) and (3) of subsection (a) and under subsection (f) (but not the maximum amounts of such allowances that are payable under this section), if the Secretary determines that there is justifiable cause for such an extension, such as the failure to provide the worker with timely information, delays in certification due to administrative reconsideration or judicial review, or justifiable breaks in training that exceed the period allowable under subsection (e).''.

SEC. 125. APPLICATION OF STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.

Section 234 of the Trade Act of 1974 (19 U.S.C. 2294) is amended—

(1) by striking ''Except where inconsistent'' and inserting ''(a) IN GENERAL.—Except where inconsistent''; and

(2) by adding at the end the following:

''(b) STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.—Any law or regulation of a cooperating State under section 239 that allows for a waiver for good cause of any time limit, including a waiver for good cause to allow the late filing of any claim, for trade readjustment allowances or other adjustment assistance under this chapter shall, in the administration of the program by the State under this chapter, apply to the applicable time limitation referred to or specified in this chapter or any regulation prescribed to carry out this chapter.''.

SEC. 126. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended to read as follows:

''SEC. 235. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''The Secretary shall provide, directly or through agreements with States under section 239, to adversely affected workers covered by a certification under subchapter A of this chapter the following employment and case management services:

''(1) Comprehensive and specialized assessment of skill levels and service needs, including through—

''(A) diagnostic testing and use of other assessment tools; and

''(B) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

''(2) Development of an individual employment plan to identify employment goals and objectives, and appropriate training to achieve those goals and objectives.

''(3) Information on training available in local and regional areas, information on individual counseling to determine which training is suitable training, and information on how to apply for such training.

''(4) Information on how to apply for financial aid, including referring workers to educational opportunity centers under section 402F of the Higher Education Act of 1965, where applicable, and notifying workers that the workers may ask financial aid administrators at institutions of higher education to allow use of their current year income in the financial aid process.

''(5) Short-term prevocational services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct to prepare individuals for employment or training.

''(6) Individual career counseling, including job search and placement counseling, during the period in which the individual is receiving a trade adjustment allowance or training under this chapter, and for purposes of job placement after receiving such training.

''(7) Provision of employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including—

''(A) job vacancy listings in such labor market areas;

''(B) information on jobs skills necessary to obtain jobs identified in job vacancy listings described in subparagraph (A);

''(C) information relating to local occupations that are in demand and earnings potential of such occupations; and

''(D) skills requirements for local occupations described in subparagraph (C).

''(8) Supportive services, including services relating to child care, transportation, dependent care, housing assistance, and need-related payments that are necessary to enable an individual to participate in training.''.

(b) CLERICAL AMENDMENT.—The item relating to section 235 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''235. Employment and case management services.''.

SEC. 127. TRAINING.

(a) IN GENERAL.—Subsection (a)(1) of section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended by striking the last sentence.

(b) FUNDING.—Subsection (a)(2) of such section is amended—

(1) in subparagraph (A), to read as follows:

''(A) The total amount of payments that may be made under paragraph (1) for each of the fiscal years 2008 and 2009 shall not exceed $440,000,000. The total amount of payments that may be made under paragraph (1) for fiscal year 2010 and each subsequent fiscal year shall not exceed $660,000,000.''; and

(2) by striking subparagraph (B) and inserting the following:

''(B) Not later than 120 days after the date of the enactment of the Trade and Globalization Act of 2007, the Secretary shall establish and implement procedures for the allocation among the States in each fiscal year of funds available to pay the costs of training for workers under this section. The Secretary shall, at least 60 days before the date on which the procedures described in this subparagraph are first implemented, consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate with respect to such procedures.

''(C) In establishing and implementing the procedures under subparagraph (B), the Secretary shall—

''(i) provide for at least 3 distributions of funds available for training in the fiscal year, and, in the first such distribution, disburse not more than 50 percent of the total amount of funds available for training in that fiscal year;

''(ii) consider using a broad range of factors for the allocation of training funds distributed to States for each fiscal year, including factors such as—

''(I) the number of workers certified under sections 223 and 223A in the preceding fiscal year;

''(II) the total number of workers certified under sections 223 and 223A that are enrolled in training approved under this section;

''(III) the minimum level of funding necessary to provide training approved under this section; and

''(IV) notifications under the Worker Adjustment and Retraining Notification Act or other layoff notifications;

''(iii) after the initial distribution of training funds to States at the beginning of each fiscal year, provide for subsequent distributions of training funds remaining, based on the factors described in clause (ii) (but, in the case of the factor described in subclause (I) of clause (ii), based on data from the preceding 2 fiscal quarters) if a State requests the distribution of the remaining funds;

''(iv) ensure that any final distribution of funds during a fiscal year is made not later than July 1 of that fiscal year; and

''(v) develop an explicit policy for re-capture and redistribution of training funds, to the extent such re-capture and redistribution of training funds is necessary.''.

(c) DETERMINATIONS REGARDING TRAINING.—Subsection (a)(9) of such section is amended—

(1) by striking ''The Secretary'' and inserting ''(A) Subject to subparagraph (B), the Secretary''; and

(2) by adding at the end the following:

''(B)(i) In determining under paragraph (1)(E) whether a worker is qualified to undertake and complete training, the Secretary may not disallow training for a period longer than the worker's period of eligibility for trade readjustment allowances under part I if the worker demonstrates that the worker has sufficient financial resources to complete the training after the expiration of the worker's period of eligibility for such trade readjustment allowances.

''(ii) In determining the reasonable cost of training under paragraph (1)(F) with respect to a worker, the Secretary may consider whether other public or private funds are reasonably available to the worker, except that the Secretary may not require a worker to obtain such funds as a condition of approval of training under paragraph (1).''.

(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section is further amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

''(e) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for training under this section shall be made by employees of the State who are appointed on a merit basis.''.

(e) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study of the procedures for the allocation of training funds for workers under subparagraphs (B) and (C) of section 236(a)(2) of the Trade Act of 1974 (19 U.S.C. 2296), as added by subsection (a) of this section, that are established and implemented by the Secretary of Labor pursuant to such section. In carrying out the study, the Comptroller General shall examine the overall adequacy of funding for training for workers by State and the effectiveness of the procedures for allocating training funds between States and among workers.

(2) REPORTS.—

(A) INTERIM REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an interim report that contains the results of the study conducted under paragraph (1) for the first fiscal year with respect to which the procedures described in paragraph (1) are implemented.

(B) FINAL REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a final report that contains the results of the study conducted under paragraph (1) for the first three fiscal years with respect to which the procedures described in paragraph (1) are implemented.

SEC. 128. PREREQUISITE EDUCATION; APPROVED TRAINING PROGRAMS.

(a) IN GENERAL.—Section 236(a)(5) of the Trade Act of 1974 (19 U.S.C. 2296(a)(5)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' at the end of clause (i);

(B) by adding ''and'' at the end of clause (ii); and

(C) by inserting after clause (ii) the following:

''(iii) apprenticeship programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.),'';

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively;

(3) by inserting after subparagraph (D) the following:

''(E) any program of prerequisite education or coursework required to enroll in training that may be approved under this section,'';

(4) in subparagraph (F)(ii), as redesignated by paragraph (1), by striking ''and'' at the end;

(5) in subparagraph (G), as redesignated by paragraph (1), by striking the period at the end and inserting '', and''; and

(6) by adding at the end the following:

''(H) any training program or coursework at an accredited institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965), including a training program or coursework for the purpose of—

''(i) obtaining a degree or certification; or

''(ii) completing a degree or certification that the worker had previously begun at an accredited institution of higher education.

The Secretary may not limit approval of a training program under paragraph (1) to a program provided pursuant to title I of the Workforce Investment Act of 1998.''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(2), by inserting ''prerequisite education or'' after ''requires a program of''; and

(2) in subsection (f) (as redesignated by section 121(d) of this Act), by inserting ''prerequisite education or'' after ''includes a program of''.

SEC. 129. ELIGIBILITY FOR UNEMPLOYMENT INSURANCE AND PROGRAM BENEFITS WHILE IN TRAINING.

(a) IN GENERAL.—Section 236(d) of the Trade Act of 1974 (19 U.S.C. 2296(d)) is amended to read as follows:

''(d) ELIGIBILITY.—A worker may not be determined to be ineligible or disqualified for unemployment insurance or program benefits under this subchapter—

''(1) because the worker—

''(A) is enrolled in training approved under subsection (a); or

''(B) left work—

''(i) that was not suitable employment to enter such training; or

''(ii) that the worker engaged in on a temporary basis during a break in such training or a delay in the commencement of such training; or

''(2) because the provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work apply to a week of training approved under subsection (a).''.

(b) DEFINITION.—Subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2291 et seq.) is amended—

(1) in section 233(d) (as redesignated by section 121(d) of this Act), by inserting ''suitable'' before ''on-the-job training''; and

(2) in section 236—

(A) by inserting ''suitable'' before ''on-the-job training'' each place it appears; and

(B) by adding at the end the following:

''(h) SUITABLE ON-THE-JOB TRAINING.—For purposes of this section, the term 'suitable on-the-job training' means on-the-job training—

''(1) that can reasonably be expected to lead to suitable employment;

''(2) that is compatible with the skills of the worker;

''(3) that—

''(A) involves a curriculum through which the worker learns the skills necessary for the job for which the worker is being trained; and

''(B) can be measured by benchmarks that indicate that the worker is learning such skills; and

''(4) that is certified by the State as an on-the-job training program that meets the requirements of paragraph (3).''.

SEC. 130. ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295 et seq.) is amended by inserting after section 236 the following:

''SEC. 236A. ADDITIONAL PAYMENTS FOR ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''(a) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment for such fiscal year in an amount that is not less than 15 percent of the amount of the payment under section 236.

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for administration of the trade adjustment assistance for workers program under this chapter, including for—

''(A) processing of waivers of training requirements under section 231;

''(B) collecting of data required under this chapter; and

''(C) providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection for a fiscal year that are in excess of the amount of funds provided to the State for administration of the trade adjustment assistance for workers program under this chapter for fiscal year 2007 may only be administered by employees of the State who are appointed on a merit basis.

''(b) ADDITIONAL FUNDING FOR EMPLOYMENT AND CASE MANAGEMENT SERVICES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment for such fiscal year in an amount that is not less than .06 percent of the total amount of payments that may be made in that fiscal year as described in section 236(a)(2).

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection may only be administered by employees of the State who are appointed on a merit basis.

''(c) FUNDING.—Funds provided to the States under this section shall not be counted toward the limitation contained in section 236(a)(2)(A).''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 236 the following:

''Sec. 236A. Additional payments for administrative expenses and employment and case management services.''.

SEC. 131. JOB SEARCH AND RELOCATION ALLOWANCES.

(a) JOB SEARCH ALLOWANCES.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended—

(1) in subsection (a)(2)(C)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the cost of'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

(b) RELOCATION ALLOWANCES.—Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended—

(1) in subsection (a)(2)(E)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

Subtitle D—Health Care Provisions

SEC. 141. MODIFICATIONS RELATING HEALTH INSURANCE ASSISTANCE FOR CERTAIN TAA AND PBGC PENSION RECIPIENTS.

(a) INCREASE IN CREDIT PERCENTAGE AMOUNT.—

(1) IN GENERAL.—Subsection (a) of section 35 of the Internal Revenue Code of 1986 is amended by striking ''65 percent'' and inserting ''85 percent''.

(2) CONFORMING AMENDMENT.—Subsection (b) of section 7527 of such Code is amended by

striking ''65 percent'' and inserting ''85 percent''.

(b) TAA RECIPIENTS RECEIVING UNEMPLOYMENT COMPENSATION AND NOT ENROLLED IN TRAINING PROGRAM ELIGIBLE FOR CREDIT.—Paragraph (2) of section 35(c) of such Code is amended to read as follows:

''(2) ELIGIBLE TAA RECIPIENT.—The term 'eligible TAA recipient' means, with respect to any month, any individual who—

''(A) is receiving for any day of such month a trade readjustment allowance under chapter 2 of title II of the Trade Act of 1974, or

''(B) who is receiving unemployment compensation (as defined in section 85) for such month and who would be eligible to receive such allowance for such month if section 231 of such Act were applied without regard to subsections (a)(3)(B) and (a)(5) thereof.

An individual shall continue to be treated as an eligible TAA recipient during the first month that such individual would otherwise cease to be an eligible TAA recipient by reason of the preceding sentence.''.

(c) ELIGIBILITY FOR ELIGIBLE INDIVIDUALS MADE RETROACTIVE TO TAA-RELATED LOSS OF EMPLOYMENT.—Subsection (c) of section 35 of such Code is amended by adding at the end the following new paragraph:

''(5) RETROACTIVE ELIGIBILITY FOR TAA RECIPIENTS.—In the case of any individual who is an eligible TAA recipient or eligible alternative TAA recipient for any month, such individual shall be treated as an eligible individual for any month which precedes such month and which begins after the later of—

''(A) the date of the separation from employment which gives rise to such individual being an eligible TAA recipient or eligible alternative TAA recipient, or

''(B) December 31, 2007.''.

(d) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

(1) IN GENERAL.—Subsection (g) of section 35 of such Code is amended by redesignating paragraph (9) as paragraph (10) and inserting after paragraph (8) the following new paragraph:

''(9) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for subsection (f)(2)(A), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the amount of the credit under this section with respect to any qualifying family members of such individual (and any advance payment of such credit under section 7527). This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in subsection (f)(2)(A).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death (or, in the case of an individual to whom paragraph (4) applies, the taxpayer to whom the deduction under section 151 is allowable) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that in determining the amount of such credit only such qualifying family member may be taken into account.''.

(2) CONFORMING AMENDMENT.—Section 173(f) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)) is amended by adding at the end the following:

''(8) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for paragraph (7)(B)(i), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the eligibility of qualifying family members of such individual under this subsection. This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in paragraph (7)(B)(i).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death shall be treated as an eligible individual for purposes this subsection for a period of 36 months beginning with the date of such death, except that no qualifying family members may be taken into account with respect to such individual.''.

(e) MODIFICATION OF CREDITABLE COVERAGE REQUIREMENT.—

(1) IN GENERAL.—Subparagraph (B) of section 35(e)(2) of such Code is amended to read as follows:

''(B) QUALIFYING INDIVIDUAL.—For purposes of this paragraph, the term 'qualifying individual' means an eligible individual and the qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of subsection (b)(1)(A) and—

''(i) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in subparagraphs (B) through (H) of paragraph (1)) a period of creditable coverage (as defined in section 9801(c)), or

''(ii) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(I) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(II) the date of the enactment of this subparagraph.''.

(2) CONFORMING AMENDMENT.—Clause (ii) of section 172(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended to read as follows:

''(ii) QUALIFYING INDIVIDUAL.—For purposes of this subparagraph, the term 'qualifying individual' means an eligible individual and the qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of section 35(b)(1)(A) of the Internal Revenue Code of 1986 and—

''(I) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in clauses (ii) through (viii) of subparagraph (A)) a period of creditable coverage (as defined in section 9801(c) of such Code), or

''(II) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(aa) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(bb) the date of the enactment of this clause.''.

(3) OUTREACH.—The Secretary of the Treasury shall carry out a program to notify individuals prior to their becoming eligible PBGC pension recipients (as defined in section 35 of the Internal Revenue Code of 1986) of the requirement of subsection (e)(2)(B)(ii) of such section, as added by this subsection.

(f) TAA PRE-CERTIFICATION PERIOD RULE FOR PURPOSES OF DETERMINING WHETHER THERE IS A 63-DAY LAPSE IN CREDITABLE COVERAGE.—

(1) IRC AMENDMENT.—Section 9801(c)(2) of the Internal Revenue Code of 1986 (relating to not counting periods before significant breaks in creditable coverage) is amended by adding at the end the following new subparagraph:

''(D) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date which is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 4980B(f)(5)(C)(iv).''.

(2) ERISA AMENDMENT.—Section 701(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 605(b)(4)(c).''.

(3) PHSA AMENDMENT.—Section 2701(c)(2) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 2205(b)(4)(c).''.

(g) RATING SYSTEM REQUIREMENT FOR CERTAIN STATE-BASED COVERAGE.—

(1) IN GENERAL.—Subparagraph (A) of section 35(e)(2) of such Code is amended by adding at the end the following new clause:

''(v) RATING SYSTEM REQUIREMENT.—In the case of coverage described in paragraph (1)(F)(ii), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(2) CONFORMING AMENDMENT.—Clause (i) of section 173(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended by adding at the end the following new subclause:

''(V) RATING SYSTEM REQUIREMENT.—In the case of coverage described in subparagraph (A)(vi)(II), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(h) TERMINATION OF PROGRAM.—

(1) IN GENERAL.—Section 35 of such Code is amended by adding at the end the following new subsection:

''(h) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this section or section 7527 for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(2) CONFORMING AMENDMENT.—Subsection (f) of section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new paragraph:

''(8) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this subsection for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to months beginning after December 31, 2007, in taxable years ending after such date.

(2) RATING SYSTEM REQUIREMENT.—The amendments made by subsection (g) shall apply to months beginning after March 31, 2008, in taxable years ending after such date.

(3) DISCRETION TO DELAY EFFECTIVE DATE FOR PURPOSES OF ADVANCE PAYMENT PROGRAM.—Solely for purposes of carrying out the advance payment program under section 7527, the Secretary may provide that one or more amendments made by subsections (b), (c), and (d) shall not apply to one or more months beginning before March 31, 2008, to the extent that the Secretary determines that such delay is necessary to properly implement any such amendment as part of such program.

(j) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study regarding the health insurance tax credit allowed under section 35 of the Internal Revenue Code of 1986.

(2) REPORT.—Not later than March 1, 2009, the Comptroller General shall submit a report to Congress regarding the results of the study conducted under paragraph (1). Such report shall include an analysis of—

(A) the administrative costs—

(i) of the Federal Government with respect to such credit and the advance payment of such credit under section 7527 of such Code, and

(ii) of providers of qualified health insurance with respect to providing such insurance to eligible individuals and their qualifying family members,

(B) the health status and relative risk status of eligible individuals and qualifying family members covered under such insurance,

(C) participation in such credit and the advance payment of such credit by eligible individuals and their qualifying family members, including the reasons why such individuals did or did not participate and the effect of the amendments made by this section on such participation, and

(D) the extent to which eligible individuals and their qualifying family members—

(i) obtained health insurance other than qualifying health insurance, or

(ii) went without health insurance coverage.

(3) ACCESS TO RECORDS.—For purposes of conducting the study required under this subsection, the Comptroller General and any of his duly authorized representatives shall have access to, and the right to examine and copy, all documents, records, and other recorded information—

(A) within the possession or control of providers of qualified health insurance, and

(B) determined by the Comptroller General (or any such representative) to be relevant to the study.

The Comptroller General shall not disclose the identity of any provider of qualified health insurance or any eligible individual in making any information obtained under this section available to the public.

(4) DEFINITIONS.—Any term which is defined in section 35 of the Internal Revenue Code of 1986 shall have the same meaning when used in this subsection.

Subtitle E—Wage Insurance

SEC. 151. REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE PROGRAM FOR OLDER WORKERS.

(a) IN GENERAL.—Section 246 of the Trade Act of 1974 (19 U.S.C. 2318) is amended—

(1) by amending the heading to read as follows: ''**REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE**'';

(2) in subsection (a)—

(A) in paragraph (1), by striking ''alternative'' and inserting ''reemployment'';

(B) in paragraph (2)(A), by striking ''for a period not to exceed 2 years'' and inserting ''for the eligibility period under paragraph (3)(C)''; and

(C) by striking paragraphs (3) through (5) and inserting the following:

''(3) ELIGIBILITY.—

''(A) IN GENERAL.—A group of workers certified under subchapter A as eligible for adjustment assistance under subchapter A is eligible for benefits described in paragraph (2) under the program established under paragraph (1).

''(B) INDIVIDUAL ELIGIBILITY.—A worker in a group of workers described in subparagraph (A) may elect to receive benefits described in paragraph (2) under the program established under paragraph (1) if the worker—

''(i) is at least 50 years of age;

''(ii) earns not more than $60,000 each year in wages from reemployment;

''(iii)(I) is employed on a full-time basis as defined by State law in the State in which the worker is employed; or

''(II) is employed at least 20 hours per week and is enrolled in training approved under section 236; and

''(iv) does not return to the employment from which the worker was separated.

In the case of a worker described in clause (iii)(II), the percentage referred to in paragraph (2)(A) shall be deemed to be a percentage equal to ½ of the ratio of weekly hours of employment referred to in clause (iii)(II) to weekly hours of employment of that worker at the time of separation (but not more than 50 percent).

''(C) ELIGIBILITY PERIOD FOR PAYMENTS.—A worker in a group of workers described in subparagraph (A) may receive payments described in paragraph (2)(A) under the program established under paragraph (1) for a period not to exceed 2 years from the date on which the worker exhausts all rights to unemployment insurance based on the separation of the worker from adversely affected employment or the date on which the worker obtains reemployment, whichever is earlier.

''(D) TRAINING.—A worker described in subparagraph (B) shall be eligible to receive training approved under section 236.

''(4) TOTAL AMOUNT OF PAYMENTS.—The payments described in paragraph (2)(A) made to a worker may not exceed $12,000 per worker during the eligibility period under paragraph (3)(C).

''(5) LIMITATION ON OTHER BENEFITS.—A worker described in paragraph (3) may not receive a trade readjustment allowance under part I of subchapter B during any week for which the worker receives a payment described in paragraph (2)(A).''; and

(3) in subsection (b)(2), by striking ''subsection (a)(3)(B)'' and inserting ''subsection (a)(3)''.

(b) EXTENSION OF PROGRAM.—Subsection (b)(1) of such section is amended by striking ''5'' and inserting ''10''.

(c) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 246 and inserting the following:

''Sec. 246. Reemployment trade adjustment assistance program.''.

Subtitle F—Other Matters

SEC. 161. AGREEMENTS WITH STATES.

(a) IN GENERAL.—Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by striking ''will'' each place it appears and inserting ''shall''; and

(2) in clause (2), to read as follows: ''(2) in accordance with subsection (f), shall provide adversely affected workers covered by a certification under subchapter A the employment and case management services described in section 235''.

(b) OUTREACH.—Subsection (f) of such section is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) by striking paragraph (4) and inserting the following:

''(4) perform outreach, intake (which may include worker profiling) and orientation for assistance and benefits available under this chapter for adversely affected workers covered by a certification under subchapter A of this chapter, and''; and

(3) by adding at the end the following:

''(5) provide adversely affected workers covered by a certification under subchapter A of this chapter with employment and case management services described in section 235.''.

SEC. 162. FRAUD AND RECOVERY OF OVERPAYMENTS.

Section 243(a)(1) of the Trade Act of 1974 (19 U.S.C. 2315(a)(1)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking ''may waive'' and inserting ''shall waive''; and

(B) by striking '', in accordance with guidelines prescribed by the Secretary,'' and

(2) in subparagraph (B), by striking ''would be contrary to equity and good conscience'' and inserting ''would cause a financial hardship for the individual (or the individual's household, if applicable) when taking into consideration the income and resources reasonably available to the individual (or household) and other ordinary living expenses of the individual (or household)''.

SEC. 163. TECHNICAL AMENDMENTS.

(a) IN GENERAL.—Section 249 of the Trade Act of 1974 (19 U.S.C. 2321) is amended—

(1) in the heading, by striking ''subpena'' and inserting ''subpoena''; and

(2) in the text, by striking ''subpena'' and inserting ''subpoena'' each place it appears.

(b) CLERICAL AMENDMENT.—The item relating to section 249 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''249. Subpoena power.''.

SEC. 164. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

''(a) ESTABLISHMENT.—There is established in the Department of Labor an office to be known as the Office of Trade Adjustment Assistance (hereinafter in this section referred to as the 'Office').

''(b) HEAD OF OFFICE.—The head of the Office shall be the Deputy Assistant Secretary for Trade Adjustment Assistance (hereinafter in this section referred to as the 'Deputy Assistant Secretary'), who shall be appointed by the President, by and with the advice and consent of the Senate.

''(c) PRINCIPLE FUNCTIONS.—The principle functions of the Deputy Assistant Secretary shall be—

''(1) to oversee and implement the administration of trade adjustment assistance for workers under this chapter; and

''(2) to carry out functions delegated to the Secretary of Labor under this chapter, including—

''(A) making determinations under section 223 or 223A;

''(B) providing information about the program and assisting groups of workers and other parties to prepare petitions or applications for program benefits under section 225;

''(C) ensuring workers covered by a certification receive the employment services described in section 235;

''(D) ensuring States fully comply with agreements under section 239;

''(E) acting as a vigorous advocate for workers applying for assistance under this chapter;

''(F) receiving complaints, grievances, and requests for assistance from workers under this chapter;

''(G) establishing and overseeing a hotline that workers, employers, and other entities may call to obtain information regarding eligibility criteria, procedural requirements, and benefits available under this chapter; and

''(H) carrying out such other duties with respect to this chapter as the President may specify for purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 249 the following:

''Sec. 250. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.''.

SEC. 165. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250A. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

''(a) IN GENERAL.—Not later than 90 days after the date of the enactment of the Trade and Globalization Act of 2007, the Secretary shall implement a system to collect and publicly disseminate data on all adversely affected workers who apply for or receive adjustment assistance under this chapter.

''(b) DATA TO BE INCLUDED.—The system required under subsection (a) shall include collection of the following data classified by State, industry, and nationwide totals:

''(1) The number of petitions and number of workers covered by petitions filed, certified and denied.

''(2) The date of filing of each petition and the date of the determination, and the average processing time, by year, on petitions.

''(3) A breakdown, by the claimed cause of dislocation, of petitions denied, such as increased imports, shift in production, and other bases for eligibility.

''(4) A breakdown of the number of certified petitions by the cause of dislocation, such as increase in imports, shift in production, and other causes of eligibility for adjustment assistance.

''(5) The number of workers participating in any aspect of the adjustment assistance program under this chapter.

''(6) Reemployment rates and sectors in which dislocated workers have been employed after receiving adjustment assistance under this chapter.

''(7) The type of adjustment assistance received under this chapter, such as training or education assistance, reemployment adjustment assistance, cash benefits, health coverage, and relocation allowances, the number of workers receiving each type of assistance, and the average duration of time workers receive each type of assistance.

''(8) The fields of training or education in which workers receiving training or education benefits under this chapter are enrolled, the number of workers participating in each field, classified by major types of training or education.

''(9) The number of workers leaving training before completing a course of training or education, classified by the cause for early termination.

''(10) The number of training waivers granted, classified by type of waiver.

''(11) The wages of workers before separation and any job obtained after receiving benefits under the trade adjustment assistance program under this chapter.

''(12) The average duration of training that was completed.

''(c) REPORT.—Not later than 16 months after the date of the enactment of the Trade and Globalization Act of 2007, and annually thereafter, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and any other congressional committee of appropriate jurisdiction, a report on whether changes to eligibility requirements, benefits, or training funding under the trade adjustment assistance program under this chapter should be made based on the data collected under subsection (b).

''(d) AVAILABILITY ON WEBSITE OF THE DEPARTMENT OF LABOR.—The Secretary shall make the data collected under subsection (b) publicly available on the website of the Department of Labor, in a searchable format, and shall update the data quarterly.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 250 (as added by section 163(b) of this Act) the following:

''Sec. 250A. Collection of data and reports; information to workers.''.

SEC. 166. EXTENSION OF TAA PROGRAM.

(a) FOR WORKERS.—Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking ''December 31, 2007'' and inserting ''September 30, 2012''.

(b) TERMINATION.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by striking ''December 31, 2007'' each place it appears and inserting ''September 30, 2012''.

(c) FOR FARMERS.—Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended by adding at the end the following: ''There are authorized to be appropriated to the Department of Agriculture not to exceed $81,000,000 for the 9-month period beginning on January 1, 2008, and $90,000,000 for each of the fiscal years 2009 through 2012 to carry out the purposes of this chapter.''.

SEC. 167. JUDICIAL REVIEW.

Section 284 of the Trade Act of 1974 (19 U.S.C. 2395) is amended—

(1) in subsection (a)—

(A) by inserting ''or 223A'' after ''223''; and

(B) by striking ''271'' and inserting ''273'';

(2) by amending subsection (b) to read as follows:

''(b) STANDARD OF REVIEW.—The Court of International Trade shall have jurisdiction to review the case as provided in section 706 of title 5, Untied States Code. The findings of fact by the Secretary of Labor, the Secretary of Commerce, or the Secretary of Agriculture, as the case may be, must be supported by substantial evidence and must be based on a reasonable investigation. The Court of International Trade may—

''(1) remand the case to such Secretary to take further evidence; or

''(2) reverse the action of such Secretary.

If the case is remanded under paragraph (1), the Secretary concerned may make new or modified findings of fact and may modify the Secretary's previous action, and shall certify to the court the record of the further proceedings. The new or modified findings of fact must be supported by substantial evidence and must be based on a reasonable investigation.''; and

(3) in subsection (c), by striking the first sentence.

SEC. 168. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

(a) IN GENERAL.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391 et seq.) is amended by adding at the end the following:

"SEC. 288. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

''The provisions of chapter 2 (relating to adjustment assistance for workers) and the provisions of chapter 3 (relating to adjustment assistance for firms) shall be liberally construed in favor of certifying workers for assistance under such chapter 2 and certifying firms for assistance under such chapter 3.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 287 the following:

''Sec. 288. Liberal construction of certification of workers and firms.''.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

SEC. 201. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) IN GENERAL.—Section 251 of the Trade Act of 1974 (19 U.S.C. 2341) is amended—

(1) in subsection (a), by inserting ''or service sector firm'' after ''(including any agricultural firm'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by inserting ''or service sector firm'' after ''any agricultural firm''; and

(ii) in subparagraph (B)—

(I) in clause (i), by striking '', or'' and inserting a comma;

(II) in clause (ii)—

(aa) by inserting ''or service'' after ''of an article''; and

(bb) by striking '', and'' and inserting a comma; and

(III) by adding at the end the following:

''(iii) sales or production, or both, of the firm, during the period consisting of not more than 36 months preceding the most recent 12-month period for which data are available, have decreased absolutely, or

''(iv) sales or production, or both, of an article or service that accounted for not less than 25 percent of the total production or sales of the firm during the 36-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and''; and

(B) in the matter preceding subparagraph (A) of paragraph (2) , by striking ''paragraph (1)(C)—'' and inserting ''paragraph (1)(C):''; and

(3) by adding at the end the following:

''(e) BASIS FOR THE DETERMINATION OF THE SECRETARY.—

''(1) INCREASED IMPORTS.—For purposes of subsection (c)(1)(C), the Secretary—

''(A) may use data from any of the preceding three calendar years to determine if the requirements of such subsection have been met; and

''(B) may determine that increases of imports of like or directly competitive articles or services exist if customers accounting for a significant percentage of the decrease in the sales of the firm certify to the Secretary that such customers are obtaining such articles or services from a foreign country.

''(2) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by a firm, the Secretary shall obtain the certifications under paragraph (1)(B) in such manner as the Secretary determines is appropriate.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.

''(f) NOTIFICATION TO FIRMS OF AVAILABILITY OF BENEFITS.—Upon receiving notice from the Secretary of Labor under section 225(c) of the identity of a firm or firms that are covered by a certification issued under section 223 or 223A, the Secretary of Commerce shall notify such firm or firms of the availability of adjustment assistance under this chapter.''.

(b) DEFINITION.—Section 261 of the Trade Act of 1974 (19 U.S.C. 2351) is amended—

(1) by striking ''For purposes of'' and inserting ''(a) FIRM.—For purposes of''; and

(2) by adding at the end the following:

''(b) SERVICE SECTOR FIRM.—For purposes of this chapter, the term 'service sector firm' means a firm engaged in the business of providing services.''.

SEC. 202. EXTENSION OF AUTHORIZATION OF TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by striking ''and $4,000,000 for the 3-month period beginning on October 1, 2007,'' inserting ''and $50,000,000 for each of fiscal years 2008 through 2012,'' after ''fiscal years 2003 through 2007,''; and

(2) by inserting after the first sentence the following: ''Of the amounts appropriated pursuant to this subsection for each fiscal year, $350,000 shall be available for full-time positions in the Department of Commerce to administer the program under this chapter.''.

SEC. 203. INDUSTRY-WIDE PROGRAMS FOR THE DEVELOPMENT OF NEW SERVICES.

Section 265(a) of the Trade Act of 1974 (19 U.S.C. 2355(a)) is amended—

(1) in the first sentence, by striking ''new product development'' and inserting ''the development of new products and services''; and

(2) in the second sentence, by inserting '', 223A,'' after ''223''.

TITLE III—UNEMPLOYMENT INSURANCE

SEC. 301. SHORT TITLE.

This title may be cited as the ''Unemployment Insurance Modernization Act''.

SEC. 302. SPECIAL TRANSFERS TO STATE ACCOUNTS IN THE UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 903 of the Social Security Act (42 U.S.C. 1103) is amended by adding at the end the following:

''Special Transfers in Fiscal Years 2008 Through 2012 for Modernization

''(f)(1)(A) In addition to any other amounts, the Secretary of Labor shall provide for the making of unemployment compensation modernization incentive payments (hereinafter 'incentive payments') to the accounts of the States in the Unemployment Trust Fund, by transfer from amounts reserved for that purpose in the Federal unemployment account, in accordance with succeeding provisions of this subsection.

''(B) The maximum incentive payment allowable under this subsection with respect to any State shall, as determined by the Secretary of Labor, be equal to the amount obtained by multiplying $7,000,000,000 times the same ratio as is applicable under subsection (a)(2)(B) for purposes of determining such State's share of any funds to be transferred under subsection (a) as of October 1, 2007.

''(C) Of the maximum incentive payment determined under subparagraph (B) with respect to a State—

''(i) one-third shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (2); and

''(ii) the remainder shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (3).

''(2) The State law of a State meets the requirements of this paragraph if such State law—

''(A) uses a base period that includes the most recently completed calendar quarter before the start of the benefit year for purposes of determining eligibility for unemployment compensation; or

''(B) provides that, in the case of an individual who would not otherwise be eligible for unemployment compensation under the State law because of the use of a base period that does not include the most recently completed calendar quarter before the start of the benefit year, eligibility shall be determined using a base period that includes such calendar quarter.

''(3) The State law of a State meets the requirements of this paragraph if such State law includes provisions to carry out at least 2 of the following subparagraphs:

''(A) An individual shall not be denied regular unemployment compensation under any State law provisions relating to availability for work, active search for work, or refusal to accept work, solely because such individual is seeking only part-time (and not full-time) work, except that the State law provisions carrying out this subparagraph may exclude an individual if a majority of the weeks of work in such individual's base period do not include part-time work.

''(B) An individual shall not be disqualified from regular unemployment compensation for separating from employment if that separation is for compelling family reasons. For purposes of this subparagraph, the term 'compelling family reasons' includes at least the following:

''(i) Domestic violence (verified by such reasonable and confidential documentation as the State law may require) which causes the individual reasonably to believe that such individual's continued employment would jeopardize the safety of the individual or of any member of the individual's immediate family.

''(ii) The illness or disability of a member of the individual's immediate family.

''(iii) The need for the individual to accompany such individual's spouse—

''(I) to a place from which it is impractical for such individual to commute; and

''(II) due to a change in location of the spouse's employment.

''(C) Weekly unemployment compensation is payable under this subparagraph to any individual who is unemployed (as determined under the State unemployment compensation law), has exhausted all rights to regular and (if applicable) extended unemployment compensation under the State law, and is enrolled and making satisfactory progress in a State-approved training program or in a job training program authorized under the Workforce Investment Act of 1998. Such program shall prepare individuals who have been separated from a declining occupation, or who have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations at the individual's place of employment, for entry into a high-demand occupation. The amount of unemployment compensation payable under this subparagraph to an individual for a week of unemployment shall be

equal to the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year, and the total amount of unemployment compensation payable under this subparagraph to any individual shall be equal to at least 26 times the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year.

''(4)(A) Any State seeking an incentive payment under this subsection shall submit an application therefor at such time, in such manner, and complete with such information as the Secretary of Labor may by regulation prescribe, including information relating to compliance with the requirements of paragraph (2) or (3), as well as how the State intends to use the incentive payment to improve or strengthen the State's unemployment compensation program. The Secretary of Labor shall, within 90 days after receiving a complete application, notify the State agency of the State of the Secretary's findings with respect to the requirements of paragraph (2) or (3) (or both).

''(B) If the Secretary of Labor finds that the State law provisions (disregarding any State law provisions which are not then currently in effect as permanent law or which are subject to discontinuation under certain conditions) meet the requirements of paragraph (2) or (3), as the case may be, the Secretary of Labor shall thereupon make a certification to that effect to the Secretary of the Treasury, together with a certification as to the amount of the incentive payment to be transferred to the State account pursuant to that finding. The Secretary of the Treasury shall make the appropriate transfer within 30 days after receiving such certification.

''(C)(i) No certification of compliance with the requirements of paragraph (2) or (3) may be made with respect to any State whose State law is not otherwise eligible for certification under section 303 or approvable under section 3304 of the Federal Unemployment Tax Act.

''(ii) No certification of compliance with the requirements of paragraph (3) may be made with respect to any State whose State law is not in compliance with the requirements of paragraph (2).

''(iii) No application under subparagraph (A) may be considered if submitted before October 1, 2007, or after the latest date necessary (as specified by the Secretary of Labor in regulations) to ensure that all incentive payments under this subsection are made before October 1, 2012.

''(5)(A) Except as provided in subparagraph (B), any amount transferred to the account of a State under this subsection may be used by such State only in the payment of cash benefits to individuals with respect to their unemployment (including for dependents' allowances and for unemployment compensation under paragraph (3)(C)), exclusive of expenses of administration.

''(B) A State may, subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection), use any amount transferred to the account of such State under this subsection for the administration of its unemployment compensation law and public employment offices.

''(6) Out of any money in the Federal unemployment account not otherwise appropriated, the Secretary of the Treasury shall reserve $7,000,000,000 for incentive payments under this subsection. Any amount so reserved shall not be taken into account for purposes of any determination under section 902, 910, or 1203 of the amount in the Federal unemployment account as of any given time. Any amount so reserved for which the Secretary of the Treasury has not received a certification under paragraph (4)(B) by the deadline described in paragraph (4)(C)(iii) shall, upon the close of fiscal year 2012, become unrestricted as to use as part of the Federal unemployment account.

''(7) For purposes of this subsection, the terms 'benefit year', 'base period', and 'week' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

''Special Transfers in Fiscal Years 2008 Through 2012 for Administration

''(g)(1) Notwithstanding any other provision of this section, the total amount available for transfer to the accounts of the States pursuant to subsection (a) as of the beginning of each of fiscal years 2008, 2009, 2010, 2011, and 2012 shall be equal to the total amount which (disregarding this subsection) would otherwise be so available, increased by $100,000,000.

''(2) Each State's share of any additional amount made available by this subsection shall be determined, certified, and computed in the same manner as described in subsection (a)(2) and shall be subject to the same limitations on transfers as described in subsection (b). For purposes of applying subsection (b)(2), the balance of any advances made to a State under section 1201 shall be credited against, and operate to reduce (but not below zero)—

''(A) first, any additional amount which, as a result of the enactment of this subsection, is to be transferred to the account of such State in a fiscal year; and

''(B) second, any amount which (disregarding this subsection) is otherwise to be transferred to the account of such State pursuant to subsections (a) and (b) in such fiscal year.

''(3) Any additional amount transferred to the account of a State as a result of the enactment of this subsection—

''(A) may be used by the State agency of such State only in the payment of expenses incurred by it for—

''(i) the administration of the provisions of its State law carrying out the purposes of subsection (f)(2) or any subparagraph of subsection (f)(3);

''(ii) improved outreach to individuals who might be eligible for regular unemployment compensation by virtue of any provisions of the State law which are described in clause (i);

''(iii) the improvement of unemployment benefit and unemployment tax operations; and

''(iv) staff-assisted reemployment services for unemployment compensation claimants; and

''(B) shall be excluded from the application of subsection (c).

''(4) The total additional amount made available by this subsection in a fiscal year shall be taken out of the amounts remaining in the employment security administration account after subtracting the total amount which (disregarding this subsection) is otherwise required to be transferred from such account in such fiscal year pursuant to subsections (a) and (b).''.

(b) REGULATIONS.—The Secretary of Labor may prescribe any regulations necessary to carry out the amendment made by subsection (a).

SEC. 303. EXTENSION OF FUTA TAX.

Section 3301 of the Internal Revenue Code of 1986 (relating to rate of tax) is amended—

(1) by striking ''2007'' in paragraph (1) and inserting ''2012'', and

(2) by striking ''2008'' in paragraph (2) and inserting ''2013''.

TITLE IV—MANUFACTURING REDEVELOPMENT ZONES

SEC. 401. MANUFACTURING REDEVELOPMENT ZONES.

(a) IN GENERAL.—Subchapter Y of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new part:

"PART III—MANUFACTURING REDEVELOPMENT ZONES

''Sec. 1400U–1. Designation of manufacturing redevelopment zones.
''Sec. 1400U–2. Eligibility criteria.
''Sec. 1400U–3. Manufacturing redevelopment tax credit bonds.
''Sec. 1400U–4. Tax-exempt manufacturing zone facility bonds.
''Sec. 1400U–5. Additional low-income housing credits.

"SEC. 1400U–1. DESIGNATION OF MANUFACTURING REDEVELOPMENT ZONES.

''(a) IN GENERAL.—From among the areas nominated for designation under this section, the Secretary may designate manufacturing redevelopment zones.

''(b) LIMITATIONS ON DESIGNATIONS.—The Secretary may designate in the aggregate 24 nominated areas as manufacturing redevelopment zones, subject to the availability of eligible nominated areas. The Secretary shall designate manufacturing redevelopment zones in such manner that the aggregate population of all such zones does not exceed 2,000,000.

''(c) PERIOD DESIGNATION MAY BE MADE.—A designation may be made under subsection (a) only during the 2-year period beginning on the date of the enactment of this section.

''(d) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

''(1) IN GENERAL.—Any designation under this section shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

''(A) the close of the 10th calendar year beginning on or after the date of the designation,

''(B) the termination date designated by the State and local governments as provided for in their nomination, or

''(C) the date the Secretary revokes the designation.

''(2) REVOCATION OF DESIGNATION.—The Secretary may revoke the designation under this section of an area if such Secretary determines that the local government or the State in which it is located—

''(A) has modified the boundaries of the area, or

''(B) is not complying substantially with, or fails to make progress in achieving the benchmarks set forth in, the strategic plan included with the application

''(e) LIMITATIONS ON DESIGNATIONS; APPLICATION.—Rules similar to the rules of subsections (e) and (f) of section 1391 shall apply for purposes of this section except that the rules of such subsection (f) shall be applied with respect to the eligibility criteria specified in section 1400U–2.

''(f) DETERMINATIONS OF POPULATION.—Any determination of population under this part shall be made on the basis of the most recent decennial census for which data are available.

"SEC. 1400U–2. ELIGIBILITY CRITERIA.

''(a) IN GENERAL.—A nominated area shall be eligible for designation under section 1400U–1 only if—

''(1) it meets each of the criteria specified in section 1392(a),

''(2) the nominated area has experienced a significant decline in the number of individuals employed in manufacturing or has a high concentration of abandoned or underutilized manufacturing facilities, and

''(3) no portion of the nominated area is located in an empowerment zone or renewal

community, unless the local government which nominated the area elects to terminate such designation as an empowerment zone or renewal community.

''(b) APPLICATION OF CERTAIN RULES; DEFINITIONS.—For purposes of this subchapter—

''(1) rules similar to the rules of subsections (b), (c), and (d) of section 1392 and paragraphs (4), (7), (8), and (9) of section 1393(a) shall apply, and

''(2) any term defined in section 1393 shall have the same meaning when used in this subchapter.

''(c) DISCRETION TO ADJUST REQUIREMENTS.—In determining whether a nominated area is eligible for designation as a manufacturing redevelopment zone, the Secretary may, where necessary to carry out the purposes of this part, waive the requirement of section 1392(a)(4) if it is shown that the nominated area has experienced a loss of manufacturing jobs during the previous 20 years which is in excess of 25 percent.

''SEC. 1400U–3. MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.

''(a) IN GENERAL.—For purposes of subpart I of part IV of subchapter A (relating to qualified tax credit bonds), the term 'manufacturing redevelopment bond' means any bond issued as part of an issue if—

''(1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified manufacturing redevelopment purposes,

''(2) the bond is not a private activity bond, and

''(3) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under subsection (a) with respect to any manufacturing redevelopment zone shall not exceed $150,000,000.

''(c) QUALIFIED MANUFACTURING REDEVELOPMENT PURPOSE.—For purposes of this section, the term 'qualified manufacturing redevelopment purposes' means capital expenditures paid or incurred with respect to property located in a manufacturing redevelopment zone for purposes of promoting development or other economic activity in such zone, including expenditures for environmental remediation, improvements to public infrastructure, and construction of public facilities.

''(d) DEFINITIONS.—For purposes of this section, any term used in this section which is also used in section 54A shall have the same meaning given such term by section 54A.

''SEC. 1400U–4. TAX-EXEMPT MANUFACTURING ZONE FACILITY BONDS.

''(a) IN GENERAL.—For purposes of part IV of subchapter B (relating to tax exemption requirements for State and local bonds), the term 'exempt facility bond' includes any bond issued as part of an issue if—

''(1) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for manufacturing zone property, and

''(2) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—The aggregate face amount of bonds which may be designated under subsection (a)(2) with respect to any manufacturing redevelopment zone shall not exceed $230,000,000.

''(2) CURRENT REFUNDING NOT TAKEN INTO ACCOUNT.—In the case of a refunding (or series of refundings) of a bond designated under this section, the refunding obligation shall be treated as designated under subsection (a)(2) (and shall not be taken into account in applying paragraph (1)) if—

''(A) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

''(B) the refunded bond is redeemed not later than 90 days after the date of issuance of the refunding bond.

''(c) LIMITATION ON AMOUNT OF BONDS ALLOCABLE TO ANY PERSON.—

''(1) IN GENERAL.—Subsection (a) shall not apply to any issue if the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person (taking into account such issue) exceeds—

''(A) $15,000,000 with respect to any 1 manufacturing redevelopment zone, or

''(B) $20,000,000 with respect to all manufacturing redevelopment zones.

''(2) AGGREGATE ENTERPRISE ZONE FACILITY BOND BENEFIT.—For purposes of paragraph (1), the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person shall be determined under rules similar to the rules of section 144(a)(10), taking into account only bonds to which subsection (a) applies.

''(d) MANUFACTURING ZONE PROPERTY.—For purposes of this section—

''(1) IN GENERAL.—The term 'manufacturing zone property' means any property to which section 168 applies (or would apply but for section 179) if—

''(A) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after the date on which the designation of the manufacturing redevelopment zone took effect,

''(B) the original use of which in the manufacturing redevelopment zone commences with the taxpayer, and

''(C) substantially all of the use of which is in the manufacturing redevelopment zone and is in the active conduct of a qualified business by the taxpayer in such zone.

''(2) QUALIFIED BUSINESS.—The term 'qualified business' means any trade or business except that—

''(A) the rental to others of real property located in a manufacturing redevelopment zone shall be treated as a qualified business only if the property is not residential rental property (as defined in section 168(e)(2)), and

''(B) such term shall not include any trade or business consisting of the operation of any facility described in section 144(c)(6)(B).

''(3) SPECIAL RULES FOR SUBSTANTIAL RENOVATIONS AND SALE-LEASEBACK.—Rules similar to the rules of subsections (a)(2) and (b) of section 1397D shall apply for purposes of this subsection.

''(e) NONAPPLICATION OF CERTAIN RULES.—Sections 57(a)(5) (relating to tax-exempt interest), 146 (relating to volume cap), and 147(d) (relating to acquisition of existing property not permitted) shall not apply to any manufacturing zone facility bond.

''SEC. 1400U–5. ADDITIONAL LOW-INCOME HOUSING CREDITS.

''(a) IN GENERAL.—For purposes of section 42, in the case of each calendar year during which the designation of a manufacturing redevelopment zone is in effect, the State housing credit ceiling of the State which includes such manufacturing redevelopment zone shall be increased by the lesser of—

''(1) the aggregate housing credit dollar amount allocated by the State housing credit agency of such State to buildings located in such manufacturing redevelopment zone for such calendar year, or

''(2) the excess of—

''(A) the manufacturing zone housing amount with respect to such manufacturing redevelopment zone, over

''(B) the aggregate increases under this subsection with respect to such zone for all preceding calendar years.

''(b) MANUFACTURING ZONE HOUSING AMOUNT.—For purposes of subsection (a), the term 'manufacturing zone housing amount' means, with respect to any manufacturing redevelopment zone, the product of $20 multiplied by the population of such zone.

''(c) OTHER RULES.—

''(1) CARRYOVERS.—Rules similar to the rules of section 1400N(c)(1)(C) shall apply for purposes of this section.

''(2) RETURNED AMOUNTS.—If any amount of State housing credit ceiling which was taken into account under subsection (a)(1) is returned within the meaning of section 42(h)(3)(C)(iii)—

''(A) such amount shall not be taken into account under such section, and

''(B) such allocation shall cease to be treated as an increase under this subsection for purposes of subsection (a)(2)(B) until reallocated.''.

(b) APPLICATION OF WORK OPPORTUNITY TAX CREDIT TO MANUFACTURING REDEVELOPMENT ZONES.—Subparagraphs (A) and (B) of section 51(d)(5) of such Code are each amended by inserting ''manufacturing redevelopment zone,'' after ''renewal community,''.

(c) CONFORMING AMENDMENTS RELATED TO MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.—

(1) GENERAL RULES.—Part IV of subchapter A of chapter 1 of such Code (relating to credits against tax) is amended by adding at the end the following new subpart:

''Subpart I—Qualified Tax Credit Bonds

''Sec. 54A. Credit to holders of qualified tax credit bonds.

''SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED TAX CREDIT BONDS.

''(a) ALLOWANCE OF CREDIT.—If a taxpayer holds a qualified tax credit bond on one or more credit allowance dates of the bond during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to such dates.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified tax credit bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified tax credit bond is the product of—

''(A) the applicable credit rate, multiplied by

''(B) the outstanding face amount of the bond.

''(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate is the rate which the Secretary estimates will permit the issuance of qualified tax credit bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer. The applicable credit rate with respect to any qualified tax credit bond shall be determined as of the first day on which there is a binding, written contract for the sale or exchange of the bond.

''(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under this part (other than subpart C and this subpart).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

''(d) QUALIFIED TAX CREDIT BOND.—For purposes of this section—

''(1) QUALIFIED TAX CREDIT BOND.—The term 'qualified tax credit bond' means a manufacturing redevelopment bond (as defined in section 1400U–3) which is part of an issue that meets the requirements of paragraphs (2), (3), (4), (5), and (6).

''(2) SPECIAL RULES RELATING TO EXPENDITURES.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if, as of the date of issuance, the issuer reasonably expects—

''(i) 100 percent or more of the available project proceeds to be spent for 1 or more qualified purposes within the 3-year period beginning on such date of issuance, and

''(ii) a binding commitment with a third party to spend at least 10 percent of such available project proceeds will be incurred within the 6-month period beginning on such date of issuance.

''(B) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 3 YEARS.—

''(i) IN GENERAL.—To the extent that less than 100 percent of the available project proceeds of the issue are expended by the close of the expenditure period for 1 or more qualified purposes, the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

''(ii) EXPENDITURE PERIOD.—For purposes of this subpart, the term 'expenditure period' means, with respect to any issue, the 3-year period beginning on the date of issuance. Such term shall include any extension of such period under clause (iii).

''(iii) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the expenditure period (determined without regard to any extension under this clause), the Secretary may extend such period if the issuer establishes that the failure to expend the proceeds within the original expenditure period is due to reasonable cause and the expenditures for qualified purposes will continue to proceed with due diligence.

''(C) QUALIFIED PURPOSE.—For purposes of this paragraph, the term 'qualified purpose' means a purpose specified in section 1400U-3(a)(1).

''(D) REIMBURSEMENT.—For purposes of this subtitle, available project proceeds of an issue shall be treated as spent for a qualified purpose if such proceeds are used to reimburse the issuer for amounts paid for a qualified purpose after the date that the Secretary makes an allocation of bond limitation with respect to such issue, but only if—

''(i) prior to the payment of the original expenditure, the issuer declared its intent to reimburse such expenditure with the proceeds of a qualified tax credit bond,

''(ii) not later than 60 days after payment of the original expenditure, the issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

''(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

''(3) REPORTING.—An issue shall be treated as meeting the requirements of this paragraph if the issuer of qualified tax credit bonds submits reports similar to the reports required under section 149(e).

''(4) SPECIAL RULES RELATING TO ARBITRAGE.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

''(B) SPECIAL RULE FOR INVESTMENTS DURING EXPENDITURE PERIOD.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any investment of available project proceeds during the expenditure period.

''(C) SPECIAL RULE FOR RESERVE FUNDS.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any fund which is expected to be used to repay such issue if—

''(i) such fund is funded at a rate not more rapid than equal annual installments,

''(ii) such fund is funded in a manner that such fund will not exceed the amount necessary to repay the issue if invested at the maximum rate permitted under clause (iii), and

''(iii) the yield on such fund is not greater than the discount rate determined under paragraph (5)(B) with respect to the issue.

''(5) MATURITY LIMITATION.—

''(A) IN GENERAL.—An issue shall not be treated as meeting the requirements of this paragraph if the maturity of any bond which is part of such issue exceeds the maximum term determined by the Secretary under subparagraph (B).

''(B) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

''(e) OTHER DEFINITIONS.—For purposes of this subchapter—

''(1) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.

Such term includes the last day on which the bond is outstanding.

''(2) BOND.—The term 'bond' includes any obligation.

''(3) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

''(4) AVAILABLE PROJECT PROCEEDS.—The term 'available project proceeds' means—

''(A) the excess of—

''(i) the proceeds from the sale of an issue, over

''(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 2 percent of such proceeds), and

''(B) the proceeds from any investment of the excess described in subparagraph (A).

''(f) CREDIT TREATED AS INTEREST.—For purposes of this subtitle, the credit determined under subsection (a) shall be treated as interest which is includible in gross income.

''(g) S CORPORATIONS AND PARTNERSHIPS.—In the case of a tax credit bond held by an S corporation or partnership, the allocation of the credit allowed by this section to the shareholders of such corporation or partners of such partnership shall be treated as a distribution.

''(h) BONDS HELD BY REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If any qualified tax credit bond is held by a regulated investment company or a real estate investment trust, the credit determined under subsection (a) shall be allowed to shareholders of such company or beneficiaries of such trust (and any gross income included under subsection (f) with respect to such credit shall be treated as distributed to such shareholders or beneficiaries) under procedures prescribed by the Secretary.

''(i) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

''(1) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a qualified tax credit bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

''(2) CERTAIN RULES TO APPLY.—In the case of a separation described in paragraph (1), the rules of section 1286 shall apply to the qualified tax credit bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.''.

(2) REPORTING.—Subsection (d) of section 6049 of such Code (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(9) REPORTING OF CREDIT ON QUALIFIED TAX CREDIT BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(e)(1)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''.

(3) OTHER CONFORMING AMENDMENTS RELATED TO TAX CREDIT BONDS.—

(A) Sections 54(c)(2) and 1400N(l)(3)(B) of such Code are each amended by striking ''subpart C'' and inserting ''subparts C and I''.

(B) Section 1397E(c)(2) of such Code is amended by striking ''subpart H'' and inserting ''subparts H and I''.

(C) Section 6401(b)(1) of such Code is amended by striking ''and H'' and inserting ''H, and I''.

(D) The heading of subpart H of part IV of subchapter A of chapter 1 of such Code is amended by striking ''**Certain Bonds**'' and inserting ''**Clean Renewable Energy Bonds**''.

(E) The table of subparts for part IV of subchapter A of chapter 1 of such Code is

amended by striking the item relating to subpart H and inserting the following new items:

''SUBPART H—NONREFUNDABLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS

''SUBPART I—QUALIFIED TAX CREDIT BONDS''.

(d) CLERICAL AMENDMENT.—The table of parts for subchapter Y of chapter 1 of such Code is amended by adding at the end the following new item:

''PART III—MANUFACTURING REDEVELOPMENT BONDS''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) BOND PROVISIONS.—Sections 1400U-3 and 1400U-4 of the Internal Revenue Code of 1986 (as added by subsection (a)), and the amendments made by subsection (c), shall apply to obligations issued after the date of the enactment of this Act.

(3) WORK OPPORTUNITY TAX CREDIT.—The amendments made by subsection (b) shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 402. DELAY IN APPLICATION OF WORLDWIDE INTEREST ALLOCATION.

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking ''December 31, 2008'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

The SPEAKER pro tempore (Mr. SERRANO). Pursuant to House Resolution 781, the amendment in the nature of a substitute printed in the bill, modified by the amendment printed in part A of House Report 110–417, is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 3920

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Trade and Globalization Assistance Act of 2007''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

Sec. 101. Extension of trade adjustment assistance to services sector; shifts in production.
Sec. 102. Determinations by Secretary of Labor.
Sec. 103. Monitoring and reporting relating to service sector.

Subtitle B—Industry-Wide Trade Adjustment Assistance

Sec. 111. Industry-wide determinations.
Sec. 112. Notifications regarding affirmative determinations and safeguards.
Sec. 113. Notification to Secretary of Commerce.

Subtitle C—Program Benefits

Sec. 121. Qualifying requirements for workers.
Sec. 122. Weekly amounts.
Sec. 123. Limitations on trade readjustment allowances; allowances for extended training and breaks in training.
Sec. 124. Special rules for calculation of eligibility period.
Sec. 125. Application of State laws and regulations on good cause for waiver of time limits or late filing of claims.
Sec. 126. Employment and case management services.
Sec. 127. Training.
Sec. 128. Prerequisite education; approved training programs.
Sec. 129. Eligibility for unemployment insurance and program benefits while in training.
Sec. 130. Administrative expenses and employment and case management services.
Sec. 131. Job search and relocation allowances.

Subtitle D—Health Care Provisions

Sec. 141. Modifications relating health insurance assistance for certain TAA and PBGC pension recipients.
Sec. 142. Extension of COBRA benefits for certain TAA-eligible individuals and PBGC recipients.

Subtitle E—Wage Insurance

Sec. 151. Reemployment trade adjustment assistance program for older workers.

Subtitle F—Other Matters

Sec. 161. Restriction on eligibility for program benefits.
Sec. 162. Agreements with States.
Sec. 163. Fraud and recovery of overpayments.
Sec. 164. Technical amendments.
Sec. 165. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.
Sec. 166. Collection of data and reports; information to workers.
Sec. 167. Extension of TAA program.
Sec. 168. Judicial review.
Sec. 169. Liberal construction of certification of workers and firms.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

Sec. 201. Trade adjustment assistance for firms.
Sec. 202. Extension of authorization of trade adjustment assistance for firms.
Sec. 203. Industry-wide programs for the development of new services.
Sec. 204. Demonstration project on strategic trade transformation assistance.

TITLE III—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

Sec. 301. Eligibility of certain other producers.

TITLE IV—UNEMPLOYMENT INSURANCE

Sec. 301. Short title.
Sec. 302. Special transfers to State accounts in the Unemployment Trust Fund.
Sec. 303. Extension of FUTA tax.
Sec. 304. Safety Net Review Commission.

TITLE V—MANUFACTURING REDEVELOPMENT ZONES

Sec. 401. Manufacturing redevelopment zones.
Sec. 402. Delay in application of worldwide interest allocation.

TITLE VI—WORKER ADJUSTMENT AND RETRAINING NOTIFICATION

Sec. 601. Short title.
Sec. 602. Amendments to the WARN Act.
Sec. 603. Effective date.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Since January 2001, the United States economy has lost nearly 3 million jobs in the manufacturing sector alone.

(2) Today, over 7.1 million people in the United States are unemployed, and nearly 1.2 million of those individuals have been unemployed for 6 months or longer.

(3) While the United States manufacturing sector has been the hardest hit by increased unemployment, the United States service sector has also seen declines as jobs have moved to low-cost labor markets, such as China, India, and the Philippines.

(4) Promoting the economic growth and competitiveness of the United States requires—

(A) opening substantial new markets for United States goods, services, and farm products;

(B) building a strong framework of rules for international trade to level the playing field for United States workers and businesses in all sectors of the economy; and

(C) helping those affected by globalization overcome its challenges and succeed.

(5) Congress created the trade adjustment assistance program in 1962 to provide United States workers who lose their jobs because of foreign competition with government-funded training and associated income support to enable such workers to transition to new, good-paying jobs.

(6) Unfortunately, the trade adjustment assistance program has not kept pace with globalization and it is failing to ensure that all workers adversely affected by trade receive the assistance they need and deserve.

(7) Workers in the service sector, who make up approximately 80 percent of the United States workforce, are ineligible for trade adjustment assistance.

(8) Inadequate funding for training leaves many dislocated workers without access to the retraining they need to find good-paying jobs.

(9) Unnecessary, unduly burdensome, and confusing program eligibility rules prevent workers from gaining access to benefits for which they are eligible.

(10) The health coverage tax credit suffers from fundamental flaws and, as a result, the credit is not being used by the vast majority of people who are eligible for it, despite a clear need for access to affordable health care.

(11) To meet the challenges posed by globalization and to preserve the critical role that United States workers play in promoting the strength and prosperity of the United States, the trade adjustment assistance program must be reformed.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Trade Adjustment Assistance for Service Sector Workers; Expansion of Covered Shifts in Production; Expansion of Downstream Secondary Worker Eligibility

SEC. 101. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE TO SERVICES SECTOR; SHIFTS IN PRODUCTION.

(a) PETITIONS.—Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)(1)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''Secretary'' and inserting ''Secretary of Labor''; and

(ii) by striking ''or subdivision'' and inserting ''or public agency, or subdivision of a firm or public agency,''; and

(B) in subparagraph (A), by striking ''firm)'' and inserting ''firm, and workers in a service sector firm or subdivision of a service sector firm, or of a public agency or subdivision thereof)''; and

(2) in paragraph (3), by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''.

(b) GROUP ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Subsection (a) of section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended—

(A) in the matter preceding paragraph (1), by striking ''(including workers in any agricultural firm or subdivision of an agricultural firm)'' and inserting ''(other than workers in a public agency)'';

(B) in paragraph (2)—

(i) in subparagraph (A)(ii), by striking ''like or directly competitive with articles produced'' and inserting ''or services like or directly competitive with articles produced or services provided''; and

(ii) by striking subparagraph (B) and inserting the following:

''(B)(i) there has been a shift, by such workers' firm or subdivision to a foreign country, of production of articles, or in provision of services, like or directly competitive with articles produced, or services provided, by such firm or subdivision; or

''(ii) such workers' firm or subdivision has obtained or is likely to obtain articles or services described in clause (i) from a foreign country.''.

(2) WORKERS IN PUBLIC AGENCIES.—Such section is further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(B) by inserting after subsection (a) the following:

''(b) ADVERSELY AFFECTED WORKERS IN PUBLIC AGENCIES.—A group of workers in a public agency shall be certified by the Secretary as eligible to apply for adjustment assistance under this chapter pursuant to a petition filed under section 221 if the Secretary determines that—

''(1) a significant number or proportion of the workers in the public agency, or an appropriate subdivision of the public agency, have become totally or partially separated, or are threatened to become totally or partially separated; and

''(2) the public agency or subdivision has obtained or is likely to obtain from a foreign country services that would otherwise be provided by such agency or subdivision.''.

(3) ADVERSELY AFFECTED SECONDARY WORKERS.—Subsection (c) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) in the matter preceding paragraph (1), by striking ''agricultural firm)'' and inserting ''agricultural firm, and workers in a service sector firm or subdivision of a service sector firm)'';

(B) in paragraph (2)—

(i) by inserting ''or service'' after ''related to the article''; and

(ii) by striking ''(c)(3)'' and inserting ''(d)(3)''; and

(C) in paragraph (3)(A), by striking ''it supplied to the firm (or subdivision)'' and inserting ''or services it supplied to the firm (or subdivision)''.

(4) DEFINITIONS AND ELIGIBILITY.—Subsection (d) of such section (as redesignated by paragraph (2)(A) of this subsection) is amended—

(A) by striking ''(d) For purposes of this section—'' and inserting ''(d) DEFINITIONS AND ELIGIBILITY.—For purposes of this section:''

(B) in paragraph (3), to read as follows:

''(3) DOWNSTREAM PRODUCER.—The term 'downstream producer' means a firm that performs additional, value-added production processes or services for a firm or subdivision, including a firm that performs final assembly, finishing, testing, packaging, or maintenance or transportation services directly for another firm (or subdivision), for articles or services that were the basis for a certification of eligibility under subsection (a) of a group of workers employed by such other firm (or subdivision).'';

(C) in paragraph (4)—

(i) by striking ''for articles'' and inserting '', or services, used in the production of articles or in the provision of services, as the case may be,''; and

(ii) by inserting ''(or subdivision)'' after ''such other firm''; and

(D) by adding at the end the following:

''(5) FIRMS IDENTIFIED BY ITC.—A petition filed under section 221 covering a group of workers from a firm or appropriate subdivision of a firm meets the requirements of subsection (a) if the firm is identified by the International Trade Commission under subsection (c), (d), or (e) of section 224.''.

(5) BASIS FOR SECRETARY'S DETERMINATIONS.—Such section is further amended by adding at the end the following:

''(e) BASIS FOR SECRETARY'S DETERMINATIONS.—

''(1) INCREASED IMPORTS OF SERVICES.—For purposes of subsection (a)(2)(A)(ii), the Secretary may determine that increased imports of like or directly competitive services exist if the customers of the workers' firm or subdivision accounting for not less than 20 percent of the sales of the workers' firm or subdivision (as the case may be) certify to the Secretary that such customers are obtaining such services from a foreign country.

''(2) SHIFT IN PRODUCTION; OBTAINING ARTICLES OR SERVICES ABROAD.—For purposes of subsections (a)(2)(B) and (b)(2), the Secretary may determine that there has been a shift in production of articles or provision of services, or that a workers' firm or public agency, or subdivision thereof, has obtained or is likely to obtain like or directly competitive articles or services from a foreign country, based on a certification thereof from the workers' firm, public agency, or subdivision (as the case may be).

''(3) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by the petitioner, the Secretary shall obtain the certifications under paragraphs (1) and (2) in such manner as the Secretary determines is appropriate, including by issuing subpoenas under section 249 when necessary.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.''.

(c) DEFINITIONS.—Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended—

(1) in the matter preceding paragraph (1), by striking ''chapter—'' and inserting ''chapter:'';

(2) in paragraph (1)—

(A) by inserting '', or employment in a public agency or appropriate subdivision of a public agency,'' after ''of a firm''; and

(B) by striking ''such firm or subdivision'' inserting ''such firm (or subdivision) or public agency (or subdivision)'';

(3) in paragraph (2), by striking ''employment—'' and all that follows and inserting ''employment, has been totally or partially separated from such employment.'';

(4) by redesignating paragraphs (8) through (17) as paragraphs (10) through (19), respectively; and

(5) by inserting after paragraph (6) the following:

''(7) The term 'public agency' means a department or agency of a State or local government or of the Federal Government.

''(8) The term 'service sector firm' means an entity engaged in the business of providing services.

''(9) Except as otherwise provided, the term 'Secretary' means the Secretary of Labor.''.

SEC. 102. DETERMINATIONS BY SECRETARY OF LABOR.

Section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) in subsection (b), by striking ''before his application'' and all that follows and inserting ''before the worker's application under section 231 occurred more than one year before the date of the petition on which such certification was granted.'';

(2) in subsection (c), by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''; and

(3) in subsection (d)—

(A) by striking ''subdivision of the firm'' and all that follows through ''he shall'' and inserting ''subdivision of the firm, or of a public agency or subdivision of a public agency, that total or partial separations from such firm (or subdivision) or public agency (or subdivision) are no longer attributable to the conditions specified in section 222, the Secretary shall''; and

(B) by striking ''together with his reasons'' and inserting ''and on the Website of the Department of Labor, together with the Secretary's reasons''.

SEC. 103. MONITORING AND REPORTING RELATING TO SERVICE SECTOR.

(a) IN GENERAL.—Section 282 of the Trade Act of 1974 (19 U.S.C. 2393) is amended—

(1) in the heading, by striking ''**SYSTEM**'' and inserting ''**AND DATA COLLECTION**'';

(2) in the first sentence—

(A) by striking ''The Secretary'' and inserting ''(a) MONITORING PROGRAMS.—The Secretary'';

(B) by inserting ''and services'' after ''imports of articles'';

(C) by inserting ''and domestic provision of services'' after ''domestic production'';

(D) by inserting ''or providing services'' after ''producing articles''; and

(E) by inserting '', or provision of services,'' after ''changes in production''; and

(3) by adding at the end the following:

''(b) COLLECTION OF DATA AND REPORTS ON SERVICE SECTOR.—

''(1) SECRETARY OF LABOR.—Not later than 90 days after the date of the enactment of the Trade and Globalization Assistance Act of 2007, the Secretary of Labor shall implement a system to collect data on adversely affected workers employed in the service sector that includes the number of workers by State, industry, and cause of dislocation of each worker.

''(2) SECRETARY OF COMMERCE.—Not later than 1 year after such date of enactment, the Secretary of Commerce shall, in consultation with the Secretary of Labor, conduct a study and report to Congress on ways to improve the timeliness and coverage of data on trade in services, including methods to identify increased imports due to the relocation of United States firms to foreign countries, and increased imports due to United States firms obtaining services from firms in foreign countries.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 282 and inserting the following:

''Sec. 282. Trade monitoring and data collection.''.

Subtitle B—Industry-Wide Trade Adjustment Assistance

SEC. 111. INDUSTRY-WIDE DETERMINATIONS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding after section 223 the following:

''SEC. 223A. INDUSTRY-WIDE DETERMINATIONS.

''(a) INVESTIGATION.—Upon the request of the President or the United States Trade Representative, or the resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, with respect to a domestic industry, or if the Secretary certifies groups of workers in a domestic industry under section 223(a) pursuant to 3 petitions within a 180-day period, the Secretary shall promptly initiate an investigation under this chapter to determine the eligibility for adjustment assistance of—

''(1) all workers in that domestic industry; or

''(2) all workers in that domestic industry in a specific geographic region.

''(b) DETERMINATION REGARDING INDUSTRY-WIDE CERTIFICATION.—The Secretary shall, not later than 60 days after receiving a request or resolution described in subsection (a) with respect to a domestic industry, or making the

third certification of workers in a domestic industry described in subsection (a), as the case may be—

''(1) determine whether all adversely affected workers in that domestic industry are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e); or

''(2) determine whether all adversely affected workers in that domestic industry in a specific geographic region are eligible to apply for assistance under this subchapter, in accordance with the criteria established under subsection (e).

''(c) IDENTIFICATION AND CERTIFICATION.—

''(1) AFFIRMATIVE DETERMINATION.—

''(A) IN GENERAL.—Upon making an affirmative determination under subsection (b), the Secretary shall—

''(i) identify all firms operating within the domestic industry described in paragraph (1) or (2) of subsection (b) that are covered by the determination; and

''(ii) certify all workers of such firms as a group of workers eligible to apply for assistance under this subchapter, without any other determination of whether such group meets the requirements of section 222.

''(B) OTHER REQUIREMENTS.—

''(i) IN GENERAL.—Each certification under subparagraph (A)(ii) shall specify the date on which the total or partial separation began or threatened to begin, except that—

''(I) with respect to a request or a resolution under subsection (a), such date may not be a date that precedes one year before the date on which the Secretary receives the request or resolution, as the case may be; and

''(II) with respect to the third certification of workers in a domestic industry described in subsection (a), such date may not be a date that precedes one year before the date on which the Secretary certifies the 3d such petition.

''(ii) INAPPLICABILITY.—A certification under subparagraph (A)(ii) shall not apply to any worker whose last total or partial separation from the firm occurred before the applicable date specified in clause (i).

''(iii) TRAINING BEFORE SEPARATION.—Any worker covered by a certification under subparagraph (A)(ii) shall be deemed to be an adversely affected worker for purposes of receiving services under section 235 and training under section 236, without regard to whether the worker has been totally or partially separated from employment. In the case of a worker not totally or partially separated from employment, the reference in section 236(a)(1)(A) to 'suitable employment' shall be deemed not to refer to such employment.

''(2) NEGATIVE DETERMINATION.—If the Secretary makes a negative determination under subsection (b), the Secretary shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate of the reasons for the Secretary's determination.

''(3) PUBLICATION.—Upon making a determination under subsection (b), the Secretary shall promptly publish a summary of the determination in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination.

''(4) TERMINATION.—Whenever the Secretary determines that a certification under paragraph (1) is no longer warranted, the Secretary shall terminate the certification and promptly have notice of the termination published in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination under this paragraph. Such termination shall apply only with respect to total or partial separations occurring after the termination date specified by the Secretary. In the case of a worker described in paragraph (1)(B)(iii), no services described in section 235 or training described in section 236 may be initiated after such termination date.

''(d) OUTREACH.—Upon making a certification under subsection (c)(1) of eligibility for adjustment assistance under this chapter of a group of workers or all workers in a domestic industry, the Secretary shall notify each Governor of a State in which the workers are located of the certification.

''(e) REGULATIONS.—The Secretary shall, not later than 1 year after the date of the enactment of the Trade and Globalization Assistance Act of 2007, issue regulations for making determinations under this section, including criteria for making such determinations. The Secretary shall develop such regulations in consultation with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and the Secretary shall submit such regulations to each such committee at least 60 days before the regulations go into effect.

''(f) DOMESTIC INDUSTRY DEFINED.—In this section, the term 'domestic industry' means an industry in the United States, as that industry is defined by the North American Industry Classification System.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 223 the following:

''Sec. 223A. Industry-wide determinations.''.

(c) CONFORMING AMENDMENTS.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended—

(1) in section 225—

(A) in subsection (a), in the last sentence by inserting ''or 223A'' after ''223''; and

(B) in subsection (b)—

(i) in paragraph (1), by striking ''subchapter A of this chapter'' and inserting ''this subchapter''; and

(ii) in paragraph (2), by striking ''subchapter A'' and inserting ''this subchapter''; and

(2) in section 231—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by striking ''more than 60 days'' and all that follows through ''section 221'' and inserting ''on or after the date of such certification''; and

(ii) in paragraph (1)—

(I) in subparagraph (B), by inserting ''or 223A (as the case may be)'' after ''223''; and

(II) in subparagraph (C), by inserting ''or 223A(c)(4), as the case may be'' after ''223(d)''; and

(B) in subsection (b)—

(i) by striking paragraph (2); and

(ii) in paragraph (1)—

(I) by striking ''(1)'';

(II) by redesignating subparagraphs (A) and (B) as paragraph (1) and (2), respectively;

(III) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(IV) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively.

SEC. 112. NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS AND SAFEGUARDS.

(a) IN GENERAL.—Section 224 of the Trade Act of 1974 (19 U.S.C. 2274) is amended—

*(1) in the heading, by striking ''**STUDY BY SECRETARY OF LABOR WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION**'' and inserting ''**STUDY AND NOTIFICATIONS REGARDING TRADE REMEDY DETERMINATIONS**'';*

(2) in subsection (a), by striking ''Whenever'' and inserting ''STUDY OF DOMESTIC INDUSTRY.—Whenever'';

(3) in subsection (b)—

(A) by striking ''The report'' and inserting ''REPORT BY THE SECRETARY.—The report'';

(B) by striking ''his report'' and inserting ''the Secretary's report''; and

(C) by inserting ''and on the Website of the Department of Labor'' after ''Federal Register''; and

(4) by adding at the end the following:

''(c) NOTIFICATIONS REGARDING AFFIRMATIVE SAFEGUARD DETERMINATIONS UNDER SECTION 202.—Upon issuing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry, under section 202, the Commission shall notify the Secretary and the Secretary of Commerce of that finding and the identity of the firms which comprise the domestic industry.

''(d) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER SECTION 421.—Upon issuing an affirmative determination of market disruption, or the threat thereof, under section 421, the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(e) NOTIFICATIONS REGARDING AFFIRMATIVE DETERMINATIONS UNDER TARIFF ACT OF 1930.—Upon issuing a final affirmative determination of injury, or the threat thereof, under section 705 or section 735 of the Tariff Act of 1930 (19 U.S.C. 1671d and 1673d), the Commission shall notify the Secretary and the Secretary of Commerce of that determination and the identity of the firms which comprise the affected domestic industry.

''(f) NOTIFICATION OF INDUSTRY AND WORKER REPRESENTATIVES.—Whenever the Commission makes a notification under subsection (c), (d), or (e)—

''(1) the Secretary shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected, and any certified or recognized union or other duly authorized representatives of the workers in such industry, of the allowances, training, employment services, and other benefits available under this chapter, and the procedures under this chapter for filing petitions and applying for benefits;

''(B) notify the Governor of each State in which one or more firms described in subparagraph (A) are located of the Commission's determination and the identity of the firms; and

''(C) provide the necessary assistance to employers, groups of workers, and any certified or recognized union or other duly authorized representatives of such workers to file petitions under section 221; and

''(2) the Secretary of Commerce shall—

''(A) notify the firms identified by the Commission as comprising the domestic industry affected of the benefits under chapter 3 and the procedures under such chapter for filing petitions and applying for benefits; and

''(B) provide the necessary assistance to firms to file petitions under section 251.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 224 and inserting the following:

''Sec. 224. Study and notifications regarding trade remedy determinations.''.

SEC. 113. NOTIFICATION TO SECRETARY OF COMMERCE.

Section 225 of the Trade Act of 1974 (19 U.S.C. 2275) is amended by adding at the end the following:

''(c) Upon issuing a certification under section 223 or 223A, the Secretary shall notify the Secretary of Commerce of the identify of the firm or firms that are covered by the certification.''.

Subtitle C—Program Benefits

SEC. 121. QUALIFYING REQUIREMENTS FOR WORKERS.

(a) IN GENERAL.—Subsection (a)(5)(A)(ii) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended—

(1) by striking subclauses (I) and (II) and inserting the following:

''(I) in the case of a worker whose most recent total separation from adversely affected employment that meets the requirements of paragraphs (1) and (2) occurs after the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after such total separation,

''(II) in the case of a worker whose most recent total separation from adversely affected

employment that meets the requirements of paragraphs (1) and (2) occurs before the date on which the Secretary issues a certification covering the worker, the last day of the 26th week after the date of such certification,''; and

(2) in subclause (III)—

(A) by striking ''later of the dates specified in subclause (I) or (II)'' and inserting ''date specified in subclause (I) or (II), as the case may be''; and

(B) by striking ''or'' at the end;

(3) by redesignating subclause (IV) as subclause (V); and

(4) by inserting after subclause (III) the following:

''(IV) the last day of such period that the Secretary determines appropriate, if the failure to enroll is due to the failure to provide the worker with timely information regarding the date specified in subclause (I) or (II), as the case may be, or''.

(b) WAIVERS OF TRAINING REQUIREMENTS.—Subsection (c) of such section 231 is amended—

(1) in paragraph (1)(B)—

(A) by striking ''The worker possesses'' and inserting

''(i) IN GENERAL.—The worker possesses'';

(B) by moving the remaining text 2 ems to the right; and

(C) by adding at the end the following:

''(ii) MARKETABLE SKILLS DEFINED.—For purposes of clause (i), the term 'marketable skills' may include the possession of a postgraduate degree from an institution of higher education (as defined in section 101(a) of the Higher Education Act of 1965) or equivalent institution, or the possession of an equivalent postgraduate certification in a specialized field.''; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking ''may authorize'' and inserting ''shall authorize'';

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

''(B) DURATION OF WAIVERS.—A waiver issued under paragraph (1) by a cooperating State shall be effective for not more than 3 months after the date on which the waiver is issued, except that the State, upon reviewing the waiver, may extend the waiver for an additional period of not more than 3 months if the State determines that the waiver should be maintained.''.

(c) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section 231 is further amended by adding at the end the following:

''(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for trade readjustment allowances under this part shall be made by employees of the State who are appointed on a merit basis.''.

(d) CONFORMING AMENDMENT.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by striking subsection (b) and redesignating subsections (c) through (g) as subsections (b) through (f), respectively.

SEC. 122. WEEKLY AMOUNTS.

(a) IN GENERAL.—Section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) in subsection (a)—

(A) by striking ''subsections (b) and (c)'' and inserting ''subsections (b), (c), and (d)'';

(B) by striking ''total unemployment'' the first place it appears and inserting ''unemployment''; and

(C) in paragraph (2), by adding at the end before the period the following: '', except that in the case of an adversely affected worker who is participating in full-time training under this chapter, such income shall not include earnings from work for such week that are equal to or less than the most recent weekly benefit amount of the unemployment insurance payable to the worker for a week of total unemployment preceding the worker's first exhaustion of unemployment insurance (as determined for purposes of section 231(a)(3)(B))'';

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following:

''(b)(1) Notwithstanding section 231(a)(3)(B), if an adversely affected worker who is participating in training qualifies for unemployment insurance under State law, based in whole or in part upon part-time or short-term employment following approval of the worker's initial trade readjustment allowance application under section 231(a), then for any week for which unemployment insurance is payable and for which the worker would otherwise be entitled to a trade readjustment allowance based upon the certification under section 223, the worker shall, in addition to any such unemployment insurance, be paid a trade readjustment allowance in the amount described in paragraph (2).

''(2) The trade readjustment allowance payable under paragraph (1) shall be equal to the weekly benefit amount of the unemployment insurance upon which the worker's trade readjustment allowance was initially determined under subsection (a), reduced by—

''(A) the amount of the unemployment insurance benefit payable to such worker for that week of unemployment for which a trade readjustment allowance is payable under paragraph (1); and

''(B) the amounts described in paragraphs (1) and (2) of subsection (a).''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(1), by striking ''section 232(a)'' and inserting ''subsections (a) and (b) of section 232''; and

(2) in subsection (c), by striking ''section 232(b)'' and inserting ''section 232(c)''.

SEC. 123. LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES; ALLOWANCES FOR EXTENDED TRAINING AND BREAKS IN TRAINING.

Section 233(a) of the Trade Act of 1974 (19 U.S.C. 2293(a)) is amended—

(1) in paragraph (2), by inserting ''under paragraph (1)'' after ''trade readjustment allowance'';

(2) in paragraph (3)—

(A) in the matter preceding subparagraph (A)—

(i) by striking ''52 additional weeks'' and inserting ''78 additional weeks''; and

(ii) by striking ''52-week'' and inserting ''91-week''; and

(B) in the matter following subparagraph (B), by striking ''52-week'' and inserting ''91-week''.

SEC. 124. SPECIAL RULES FOR CALCULATION OF ELIGIBILITY PERIOD.

Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended by adding at the end the following:

''(g) SPECIAL RULE FOR CALCULATING SEPARATION.—Notwithstanding any other provision of this chapter, any period during which a judicial or administrative appeal is pending with respect to the denial by the Secretary of a petition under section 223 shall not be counted for purposes of calculating the period of separation under subsection (a)(2) or for purposes of calculating time periods specified in section 231(a)(5)(A).

''(h) SPECIAL RULE FOR JUSTIFIABLE CAUSE.—The Secretary may extend the periods during which trade readjustment allowances are payable to an adversely affected worker under paragraphs (2) and (3) of subsection (a) and under subsection (f) (but not the maximum amounts of such allowances that are payable under this section), and the periods specified in section 231(a)(5)(A), if the Secretary determines that there is justifiable cause for such an extension, such as the failure to provide the worker with timely information, or justifiable breaks in training that exceed the period allowable under subsection (e).''.

SEC. 125. APPLICATION OF STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.

Section 234 of the Trade Act of 1974 (19 U.S.C. 2294) is amended—

(1) by striking ''Except where inconsistent'' and inserting ''(a) IN GENERAL.—Except where inconsistent''; and

(2) by adding at the end the following:

''(b) STATE LAWS AND REGULATIONS ON GOOD CAUSE FOR WAIVER OF TIME LIMITS OR LATE FILING OF CLAIMS.—Any law or regulation of a cooperating State under section 239 that allows for a waiver for good cause of any time limit, including a waiver for good cause to allow the late filing of any claim, for trade readjustment allowances or other adjustment assistance under this chapter shall, in the administration of the program by the State under this chapter, apply to the applicable time limitation referred to or specified in this chapter or any regulation prescribed to carry out this chapter.''.

SEC. 126. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended to read as follows:

''SEC. 235. EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''The Secretary shall provide, directly or through agreements with States under section 239, to adversely affected workers covered by a certification under subchapter A of this chapter the following employment and case management services:

''(1) Comprehensive and specialized assessment of skill levels and service needs, including through—

''(A) diagnostic testing and use of other assessment tools; and

''(B) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals.

''(2) Development of an individual employment plan to identify employment goals and objectives, and appropriate training to achieve those goals and objectives.

''(3) Information on training available in local and regional areas, information on individual counseling to determine which training is suitable training, and information on how to apply for such training.

''(4) Information on how to apply for financial aid, including referring workers to educational opportunity centers under section 402F of the Higher Education Act of 1965, where applicable, and notifying workers that the workers may ask financial aid administrators at institutions of higher education to allow use of their current year income in the financial aid process.

''(5) Short-term prevocational services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct to prepare individuals for employment or training.

''(6) Individual career counseling, including job search and placement counseling, during the period in which the individual is receiving a trade adjustment allowance or training under this chapter, and for purposes of job placement after receiving such training.

''(7) Provision of employment statistics information, including the provision of accurate information relating to local, regional, and national labor market areas, including—

''(A) job vacancy listings in such labor market areas;

''(B) information on jobs skills necessary to obtain jobs identified in job vacancy listings described in subparagraph (A);

''(C) information relating to local occupations that are in demand and earnings potential of such occupations; and

''(D) skills requirements for local occupations described in subparagraph (C).

''(8) Supportive services, including services relating to child care, transportation, dependent

care, housing assistance, and need-related payments that are necessary to enable an individual to participate in training.''.

(b) CLERICAL AMENDMENT.—The item relating to section 235 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''235. Employment and case management services.''.

SEC. 127. TRAINING.

(a) IN GENERAL.—Subsection (a)(1) of section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended by striking the last sentence.

(b) FUNDING.—Subsection (a)(2) of such section is amended—

(1) in subparagraph (A), to read as follows:

''(A) The total amount of payments that may be made under paragraph (1) for each of the fiscal years 2008 and 2009 shall not exceed $440,000,000. The total amount of payments that may be made under paragraph (1) for fiscal year 2010 and each subsequent fiscal year shall not exceed $660,000,000.''; and

(2) by striking subparagraph (B) and inserting the following:

''(B) Not later than 120 days after the date of the enactment of the Trade and Globalization Assistance Act of 2007, the Secretary shall establish and implement procedures for the allocation among the States in each fiscal year of funds available to pay the costs of training for workers under this section. The Secretary shall, at least 60 days before the date on which the procedures described in this subparagraph are first implemented, consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate with respect to such procedures.

''(C) In establishing and implementing the procedures under subparagraph (B), the Secretary shall—

''(i) provide for at least 3 distributions of funds available for training in the fiscal year, and, in the first such distribution, disburse not more than 50 percent of the total amount of funds available for training in that fiscal year;

''(ii) consider using a broad range of factors for the allocation of training funds distributed to States for each fiscal year, including factors such as—

''(I) the number of workers certified under sections 223 and 223A in the preceding fiscal year;

''(II) the total number of workers certified under sections 223 and 223A that are enrolled in training approved under this section;

''(III) the minimum level of funding necessary to provide training approved under this section; and

''(IV) notifications under the Worker Adjustment and Retraining Notification Act or other layoff notifications;

''(iii) after the initial distribution of training funds to States at the beginning of each fiscal year, provide for subsequent distributions of training funds remaining, based on the factors described in clause (ii) (but, in the case of the factor described in subclause (I) of clause (ii), based on data from the preceding 2 fiscal quarters) if a State requests the distribution of the remaining funds;

''(iv) ensure that any final distribution of funds during a fiscal year is made not later than July 1 of that fiscal year; and

''(v) develop an explicit policy for re-capture and redistribution of training funds, to the extent such re-capture and redistribution of training funds is necessary.''.

(c) DETERMINATIONS REGARDING TRAINING.—Subsection (a)(9) of such section is amended—

(1) by striking ''The Secretary'' and inserting ''(A) Subject to subparagraph (B), the Secretary''; and

(2) by adding at the end the following:

''(B)(i) In determining under paragraph (1)(E) whether a worker is qualified to undertake and complete training, the Secretary may not disallow training for a period longer than the worker's period of eligibility for trade readjustment allowances under part I if the worker demonstrates that the worker has sufficient financial resources to complete the training after the expiration of the worker's period of eligibility for such trade readjustment allowances.

''(ii) In determining the reasonable cost of training under paragraph (1)(F) with respect to a worker, the Secretary may consider whether other public or private funds are reasonably available to the worker, except that the Secretary may not require a worker to obtain such funds as a condition of approval of training under paragraph (1).''.

(d) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—Such section is further amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

''(e) DETERMINATIONS OF ELIGIBILITY BY STATE EMPLOYEES APPOINTED ON MERIT BASIS.—All determinations of eligibility for training under this section shall be made by employees of the State who are appointed on a merit basis.''.

(e) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study of the procedures for the allocation of training funds for workers under subparagraphs (B) and (C) of section 236(a)(2) of the Trade Act of 1974 (19 U.S.C. 2296), as added by subsection (a) of this section, that are established and implemented by the Secretary of Labor pursuant to such section. In carrying out the study, the Comptroller General shall examine the overall adequacy of funding for training for workers by State and the effectiveness of the procedures for allocating training funds between States and among workers.

(2) REPORTS.—

(A) INTERIM REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an interim report that contains the results of the study conducted under paragraph (1) for the first fiscal year with respect to which the procedures described in paragraph (1) are implemented.

(B) FINAL REPORT.—The Comptroller General of the United States shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a final report that contains the results of the study conducted under paragraph (1) for the first three fiscal years with respect to which the procedures described in paragraph (1) are implemented.

SEC. 128. PREREQUISITE EDUCATION; APPROVED TRAINING PROGRAMS.

(a) IN GENERAL.—Section 236(a)(5) of the Trade Act of 1974 (19 U.S.C. 2296(a)(5)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' at the end of clause (i);

(B) by adding ''and'' at the end of clause (ii); and

(C) by inserting after clause (ii) the following:

''(iii) apprenticeship programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.),'';

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively;

(3) by inserting after subparagraph (D) the following:

''(E) any program of prerequisite education or coursework required to enroll in training that may be approved under this section,'';

(4) in subparagraph (F)(ii), as redesignated by paragraph (1), by striking ''and'' at the end;

(5) in subparagraph (G), as redesignated by paragraph (1), by striking the period at the end and inserting '', and''; and

(6) by adding at the end the following:

''(H) any training program or coursework at an accredited institution of higher education (as defined in section 102 of the Higher Education Act of 1965), including a training program or coursework for the purpose of—

''(i) obtaining a degree or certification; or

''(ii) completing a degree or certification that the worker had previously begun at an accredited institution of higher education.

The Secretary may not limit approval of a training program under paragraph (1) to a program provided pursuant to title I of the Workforce Investment Act of 1998.''.

(b) CONFORMING AMENDMENTS.—Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)(2), by inserting ''prerequisite education or'' after ''requires a program of''; and

(2) in subsection (f) (as redesignated by section 121(d) of this Act), by inserting ''prerequisite education or'' after ''includes a program of''.

SEC. 129. ELIGIBILITY FOR UNEMPLOYMENT INSURANCE AND PROGRAM BENEFITS WHILE IN TRAINING.

(a) IN GENERAL.—Section 236(d) of the Trade Act of 1974 (19 U.S.C. 2296(d)) is amended to read as follows:

''(d) ELIGIBILITY.—A worker may not be determined to be ineligible or disqualified for unemployment insurance or program benefits under this subchapter—

''(1) because the worker—

''(A) is enrolled in training approved under subsection (a); or

''(B) left work—

''(i) that was not suitable employment in order to receive such training; or

''(ii) that the worker engaged in on a temporary basis during a break in such training or a delay in the commencement of such training; or

''(2) because of the application to any such week in training of the provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work.''.

(b) DEFINITION.—Subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2291 et seq.) is amended—

(1) in section 233(d) (as redesignated by section 121(d) of this Act), by inserting ''suitable'' before ''on-the-job training''; and

(2) in section 236—

(A) by inserting ''suitable'' before ''on-the-job training'' each place it appears; and

(B) by adding at the end the following:

''(h) SUITABLE ON-THE-JOB TRAINING.—For purposes of this section, the term 'suitable on-the-job training' means on-the-job training—

''(1) that can reasonably be expected to lead to suitable employment;

''(2) that is compatible with the skills of the worker;

''(3) that—

''(A) involves a curriculum through which the worker learns the skills necessary for the job for which the worker is being trained; and

''(B) can be measured by benchmarks that indicate that the worker is learning such skills; and

''(4) that is certified by the State as an on-the-job training program that meets the requirements of paragraph (3).''.

SEC. 130. ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

(a) IN GENERAL.—Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295 et seq.) is amended by inserting after section 236 the following:

''SEC. 236A. ADDITIONAL PAYMENTS FOR ADMINISTRATIVE EXPENSES AND EMPLOYMENT AND CASE MANAGEMENT SERVICES.

''(a) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment

for such fiscal year in an amount that is not less than 15 percent of the amount of the payment under section 236.

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for administration of the trade adjustment assistance for workers program under this chapter, including for—

''(A) processing of waivers of training requirements under section 231;

''(B) collecting of data required under this chapter; and

''(C) providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection for a fiscal year that are in excess of the amount of funds provided to the State for administration of the trade adjustment assistance for workers program under this chapter for fiscal year 2007 may only be administered by employees of the State who are appointed on a merit basis.

''(b) ADDITIONAL FUNDING FOR EMPLOYMENT AND CASE MANAGEMENT SERVICES.—

''(1) IN GENERAL.—The Secretary shall provide to each State that receives a payment under section 236 for a fiscal year an additional payment for such fiscal year in an amount that is not less than .06 percent of the total amount of payments that may be made in that fiscal year as described in section 236(a)(2).

''(2) USE OF FUNDS.—A State that receives an additional payment under paragraph (1) shall use the payment for providing services under section 235.

''(3) ADMINISTRATION REQUIREMENT.—Funds provided to a State under this subsection may only be administered by employees of the State who are appointed on a merit basis.

''(c) FUNDING.—Funds provided to the States under this section shall not be counted toward the limitation contained in section 236(a)(2)(A).''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 236 the following:

''Sec. 236A. Additional payments for administrative expenses and employment and case management services.''.

SEC. 131. JOB SEARCH AND RELOCATION ALLOWANCES.

(a) JOB SEARCH ALLOWANCES.—Section 237 of the Trade Act of 1974 (19 U.S.C. 2297) is amended—

(1) in subsection (a)(2)(C)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the cost of'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

(b) RELOCATION ALLOWANCES.—Section 238 of the Trade Act of 1974 (19 U.S.C. 2298) is amended—

(1) in subsection (a)(2)(E)(ii), by striking '', unless the worker received a waiver under section 231(c)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''90 percent of the'' and inserting ''all''; and

(B) in paragraph (2), by striking ''$1,250'' and inserting ''$1,500''.

Subtitle D—Health Care Provisions

SEC. 141. MODIFICATIONS RELATING HEALTH INSURANCE ASSISTANCE FOR CERTAIN TAA AND PBGC PENSION RECIPIENTS.

(a) INCREASE IN CREDIT PERCENTAGE AMOUNT.—

(1) IN GENERAL.—Subsection (a) of section 35 of the Internal Revenue Code of 1986 is amended by striking ''65 percent'' and inserting ''85 percent''.

(2) CONFORMING AMENDMENT.—Subsection (b) of section 7527 of such Code is amended by striking ''65 percent'' and inserting ''85 percent''.

(b) TAA RECIPIENTS RECEIVING UNEMPLOYMENT COMPENSATION AND NOT ENROLLED IN TRAINING PROGRAM ELIGIBLE FOR CREDIT.—Paragraph (2) of section 35(c) of such Code is amended to read as follows:

''(2) ELIGIBLE TAA RECIPIENT.—The term 'eligible TAA recipient' means, with respect to any month, any individual who—

''(A) is receiving for any day of such month a trade readjustment allowance under chapter 2 of title II of the Trade Act of 1974, or

''(B) who is receiving unemployment compensation (as defined in section 85) for such month and who would be eligible to receive such allowance for such month if section 231 of such Act were applied without regard to subsections (a)(3)(B) and (a)(5) thereof.

An individual shall continue to be treated as an eligible TAA recipient during the first month that such individual would otherwise cease to be an eligible TAA recipient by reason of the preceding sentence.''.

(c) ELIGIBILITY FOR ELIGIBLE INDIVIDUALS MADE RETROACTIVE TO TAA-RELATED LOSS OF EMPLOYMENT.—Subsection (c) of section 35 of such Code is amended by adding at the end the following new paragraph:

''(5) RETROACTIVE ELIGIBILITY FOR TAA RECIPIENTS.—In the case of any individual who is an eligible TAA recipient or eligible alternative TAA recipient for any month, such individual shall be treated as an eligible individual for any month which precedes such month and which begins after the later of—

''(A) the date of the separation from employment which gives rise to such individual being an eligible TAA recipient or eligible alternative TAA recipient, or

''(B) December 31, 2007.''.

(d) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

(1) IN GENERAL.—Subsection (g) of section 35 of such Code is amended by redesignating paragraph (9) as paragraph (10) and inserting after paragraph (8) the following new paragraph:

''(9) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for subsection (f)(2)(A), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the amount of the credit under this section with respect to any qualifying family members of such individual (and any advance payment of such credit under section 7527). This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in subsection (f)(2)(A).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death (or, in the case of an individual to whom paragraph (4) applies, the taxpayer to whom the deduction under section 151 is allowable) shall be treated as an eligible individual for purposes of this section and section 7527 for a period of 36 months beginning with the date of such death, except that in determining the amount of such credit only such qualifying family member may be taken into account.''.

(2) CONFORMING AMENDMENT.—Section 173(f) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)) is amended by adding at the end the following:

''(8) CONTINUED QUALIFICATION OF FAMILY MEMBERS AFTER CERTAIN EVENTS.—

''(A) MEDICARE ELIGIBILITY.—In the case of any month which would be an eligible coverage month with respect to an eligible individual but for paragraph (7)(B)(i), such month shall be treated as an eligible coverage month with respect to such eligible individual solely for purposes of determining the eligibility of qualifying family members of such individual under this subsection. This subparagraph shall only apply with respect to the first 36 months after such eligible individual is first entitled to the benefits described in paragraph (7)(B)(i).

''(B) DIVORCE.—In the case of the finalization of a divorce between an eligible individual and such individual's spouse, such spouse shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such finalization, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such finalization.

''(C) DEATH.—In the case of the death of an eligible individual—

''(i) any spouse of such individual (determined at the time of such death) shall be treated as an eligible individual for purposes of this subsection for a period of 36 months beginning with the date of such death, except that the only qualifying family members who may be taken into account with respect to such spouse are those individuals who were qualifying family members immediately before such death, and

''(ii) any individual who was a qualifying family member of the decedent immediately before such death shall be treated as an eligible individual for purposes this subsection for a period of 36 months beginning with the date of such death, except that no qualifying family members may be taken into account with respect to such individual.''.

(e) MODIFICATION OF CREDITABLE COVERAGE REQUIREMENT.—

(1) IN GENERAL.—Subparagraph (B) of section 35(e)(2) of such Code is amended to read as follows:

''(B) QUALIFYING INDIVIDUAL.—For purposes of this paragraph, the term 'qualifying individual' means an eligible individual and the qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of subsection (b)(1)(A) and—

''(i) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in subparagraphs (B) through (H) of paragraph (1)) a period of creditable coverage (as defined in section 9801(c)), or

''(ii) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(I) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(II) the date of the enactment of this subparagraph.''.

(2) CONFORMING AMENDMENT.—Clause (ii) of section 172(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended to read as follows:

''(ii) QUALIFYING INDIVIDUAL.—For purposes of this subparagraph, the term 'qualifying individual' means an eligible individual and the

qualifying family members of such individual if such individual meets the requirements of clauses (iii) and (iv) of section 35(b)(1)(A) of the Internal Revenue Code of 1986 and—

''(I) in the case of an eligible TAA recipient or an eligible alternative TAA recipient, has (as of the date on which the individual seeks to enroll in the coverage described in clauses (ii) through (viii) of subparagraph (A)) a period of creditable coverage (as defined in section 9801(c) of such Code), or

''(II) in the case of an eligible PBGC pension recipient, enrolls in such coverage during the 90-day period beginning on the later of—

''(aa) the last day of the first month with respect to which such recipient becomes an eligible PBGC pension recipient, or

''(bb) the date of the enactment of this clause.''.

(3) OUTREACH.—The Secretary of the Treasury shall carry out a program to notify individuals prior to their becoming eligible PBGC pension recipients (as defined in section 35 of the Internal Revenue Code of 1986) of the requirement of subsection (e)(2)(B)(ii) of such section, as added by this subsection.

(f) TAA PRE-CERTIFICATION PERIOD RULE FOR PURPOSES OF DETERMINING WHETHER THERE IS A 63–DAY LAPSE IN CREDITABLE COVERAGE.—

(1) IRC AMENDMENT.—Section 9801(c)(2) of the Internal Revenue Code of 1986 (relating to not counting periods before significant breaks in creditable coverage) is amended by adding at the end the following new subparagraph:

''(D) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date which is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 4980B(f)(5)(C)(iv).''.

(2) ERISA AMENDMENT.—Section 701(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 605(b)(4)(c).''.

(3) PHSA AMENDMENT.—Section 2701(c)(2) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) TAA-ELIGIBLE INDIVIDUALS.—

''(i) TAA PRE-CERTIFICATION PERIOD RULE.—In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 5 days after the postmark date of the notice by the Secretary (or by any person or entity designated by the Secretary) that the individual is eligible for a qualified health insurance costs credit eligibility certificate for purposes of section 7527 of the Internal Revenue Code of 1986 shall not be taken into account in determining the continuous period under subparagraph (A).

''(ii) DEFINITIONS.—The terms 'TAA-eligible individual', and 'TAA-related loss of coverage' have the meanings given such terms in section 2205(b)(4)(c).''.

(g) RATING SYSTEM REQUIREMENT FOR CERTAIN STATE-BASED COVERAGE.—

(1) IN GENERAL.—Subparagraph (A) of section 35(e)(2) of such Code is amended by adding at the end the following new clause:

''(v) RATING SYSTEM REQUIREMENT.—In the case of coverage described in paragraph (1)(F)(ii), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(2) CONFORMING AMENDMENT.—Clause (i) of section 173(f)(2)(B) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(f)(2)(B)) is amended by adding at the end the following new subclause:

''(V) RATING SYSTEM REQUIREMENT.—In the case of coverage described in subparagraph (A)(vi)(II), the premiums for such coverage are restricted, based on a community rating system with respect to eligible individuals and their qualifying family members, or based on a rate-band system under which the maximum rate which may be charged does not exceed 150 percent of the standard rate with respect to eligible individuals and their qualifying family members.''.

(h) TERMINATION OF PROGRAM.—

(1) IN GENERAL.—Section 35 of such Code is amended by adding at the end the following new subsection:

''(h) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this section or section 7527 for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(2) CONFORMING AMENDMENT.—Subsection (f) of section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new paragraph:

''(8) TERMINATION.—An individual shall not be treated as an eligible individual for purposes of this subsection for any month beginning after December 31, 2009, unless such individual was an eligible individual for a continuous period of months ending with such month and beginning before such date.''.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to months beginning after December 31, 2007, in taxable years ending after such date.

(2) RATING SYSTEM REQUIREMENT.—The amendments made by subsection (g) shall apply to months beginning after March 31, 2008, in taxable years ending after such date.

(3) DISCRETION TO DELAY EFFECTIVE DATE FOR PURPOSES OF ADVANCE PAYMENT PROGRAM.—Solely for purposes of carrying out the advance payment program under section 7527, the Secretary may provide that one or more amendments made by subsections (b), (c), and (d) shall not apply to one or more months beginning before March 31, 2008, to the extent that the Secretary determines that such delay is necessary to properly implement any such amendment as part of such program.

(j) GAO STUDY AND REPORT.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study regarding the health insurance tax credit allowed under section 35 of the Internal Revenue Code of 1986.

(2) REPORT.—Not later than March 1, 2009, the Comptroller General shall submit a report to Congress regarding the results of the study conducted under paragraph (1). Such report shall include an analysis of—

(A) the administrative costs—

(i) of the Federal Government with respect to such credit and the advance payment of such credit under section 7527 of such Code, and

(ii) of providers of qualified health insurance with respect to providing such insurance to eligible individuals and their qualifying family members,

(B) the health status and relative risk status of eligible individuals and qualifying family members covered under such insurance,

(C) participation in such credit and the advance payment of such credit by eligible individuals and their qualifying family members, including the reasons why such individuals did or did not participate and the effect of the amendments made by this section on such participation, and

(D) the extent to which eligible individuals and their qualifying family members—

(i) obtained health insurance other than qualifying health insurance, or

(ii) went without health insurance coverage.

(3) ACCESS TO RECORDS.—For purposes of conducting the study required under this subsection, the Comptroller General and any of his duly authorized representatives shall have access to, and the right to examine and copy, all documents, records, and other recorded information—

(A) within the possession or control of providers of qualified health insurance, and

(B) determined by the Comptroller General (or any such representative) to be relevant to the study.

The Comptroller General shall not disclose the identity of any provider of qualified health insurance or any eligible individual in making any information obtained under this section available to the public.

(4) DEFINITIONS.—Any term which is defined in section 35 of the Internal Revenue Code of 1986 shall have the same meaning when used in this subsection.

SEC. 142. EXTENSION OF COBRA BENEFITS FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS AND PBGC RECIPIENTS.

(a) ERISA AMENDMENTS.—Section 602(2)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(2)(A)) is amended—

(1) by moving clause (v) to after clause (iv) and before the flush left sentence beginning with ''In the case of a qualified beneficiary'';

(2) by striking ''In the case of a qualified beneficiary'' and inserting the following:

''(vi) SPECIAL RULE FOR DISABILITY.—In the case of a qualified beneficiary''; and

(3) by redesignating clauses (v) and (vi), as amended by paragraphs (1) and (2), as clauses (viii) and (ix) and by inserting after clause (iv) the following new clauses:

''(v) SPECIAL RULE FOR PBGC RECIPIENTS.—In the case of a qualifying event described in section 603(2) with respect to a covered employee who (as of such qualifying event) has a nonforeitable right to a benefit any portion of which is to be paid by the Pension Benefit Guaranty Corporation under title IV, notwithstanding clause (i) or (ii), the date of the death of the covered employee, or in the case of the surviving spouse or dependent children of the covered employee, 36 months after the date of the death of the covered employee.

''(vi) SPECIAL RULE FOR TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 603(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (vii), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 605(b)(4)(B)), the period of coverage shall not terminate by reason of clause (i) or (ii), as the case may be, before the later of the date specified in such clause or the date on which such individual ceases to be such a TAA-eligible individual.

''(vii) SPECIAL RULE FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 603(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (vi), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 605(b)(4)(B)) and who (as of such qualifying event) has attainted age 55 or has completed 10 or more years of service with the employer, clauses (i) and (ii) shall not apply.''.

(b) IRC AMENDMENTS.—Clause (i) of section 4980B(f)(2)(B) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''In the case of a qualified beneficiary'' and inserting the following:

''(VI) SPECIAL RULE FOR DISABILITY.—In the case of a qualified beneficiary'', and

(2) by redesignating subclauses (V) and (VI), as amended by paragraph (1), as subclauses (VIII) and (IX) and by inserting after clause (IV) the following new subclauses:

''(V) SPECIAL RULE FOR PBGC RECIPIENTS.—In the case of a qualifying event described in paragraph (3)(B) with respect to a covered employee who (as of such qualifying event) has a nonforeitable right to a benefit any portion of which is to be paid by the Pension Benefit Guaranty Corporation under title IV of the Employee Retirement Income Security Act of 1974, notwithstanding subclause (I) or (II), the date of the death of the covered employee, or in the case of the surviving spouse or dependent children of the covered employee, 36 months after the date of the death of the covered employee.

''(VI) SPECIAL RULE FOR TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in paragraph (3)(B) with respect to a covered employee who is (as of the date that the period of coverage would, but for this subclause or subclause (VII), otherwise terminate under subclause (I) or (II)) a TAA-eligible individual (as defined in paragraph (5)(C)(iv)(II)), the period of coverage shall not terminate by reason of subclause (I) or (II), as the case may be, before the later of the date specified in such subclause or the date on which such individual ceases to be such a TAA-eligible individual.

''(VII) SPECIAL RULE FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in paragraph (3)(B) with respect to a covered employee who is (as of the date that the period of coverage would, but for this subclause or subclause (VI), otherwise terminate under subclause (I) or (II)) a TAA-eligible individual (as defined in paragraph (5)(C)(iv)(II)) and who (as of such qualifying event) has attainted age 55 or has completed 10 or more years of service with the employer, subclauses (I) and (II) shall not apply.''.

(c) PHSA AMENDMENTS.—Section 2202(2)(A) of the Public Health Service Act (42 U.S.C. 300bb-2(2)(A)) is amended—

(1) by striking ''In the case of a qualified beneficiary'' and inserting the following:

''(v) SPECIAL RULE FOR DISABILITY.—In the case of a qualified beneficiary''; and

(2) by redesignating clauses (iv) and (v), as amended by paragraph (1), as clauses (vi) and (vii) and by inserting after clause (iii) the following new clauses:

''(iv) SPECIAL RULE FOR TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 2203(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (v), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 2205(b)(4)(B)), the period of coverage shall not terminate by reason of clause (i) or (ii), as the case may be, before the later of the date specified in such clause or the date on which such individual ceases to be such a TAA-eligible individual.

''(v) SPECIAL RULE FOR CERTAIN TAA-ELIGIBLE INDIVIDUALS.—In the case of a qualifying event described in section 2203(2) with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (iv), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 2205(b)(4)(B)) and who (as of such qualifying event) has attainted age 55 or has completed 10 or more years of service with the employer, clauses (i) and (ii) shall not apply.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to periods of coverage which would (without regard to the amendments made by this section) end on or after January 1, 2008.

Subtitle E—Wage Insurance

SEC. 151. REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE PROGRAM FOR OLDER WORKERS.

(a) IN GENERAL.—Section 246 of the Trade Act of 1974 (19 U.S.C. 2318) is amended—

(1) by amending the heading to read as follows: ''**REEMPLOYMENT TRADE ADJUSTMENT ASSISTANCE**'';

(2) in subsection (a)—

(A) in paragraph (1), by striking ''alternative'' and inserting ''reemployment'';

(B) in paragraph (2)(A), by striking ''for a period not to exceed 2 years'' and inserting ''for the eligibility period under paragraph (3)(C)''; and

(C) by striking paragraphs (3) through (5) and inserting the following:

''(3) ELIGIBILITY.—

''(A) IN GENERAL.—A group of workers certified under subchapter A as eligible for adjustment assistance under subchapter A is eligible for benefits described in paragraph (2) under the program established under paragraph (1).

''(B) INDIVIDUAL ELIGIBILITY.—A worker in a group of workers described in subparagraph (A) may elect to receive benefits described in paragraph (2) under the program established under paragraph (1) if the worker—

''(i) is at least 50 years of age;

''(ii) earns not more than $60,000 each year in wages from reemployment;

''(iii)(I) is employed on a full-time basis as defined by State law in the State in which the worker is employed; or

''(II) is employed at least 20 hours per week and is enrolled in training approved under section 236; and

''(iv) is not employed at the firm from which the worker was separated

In the case of a worker described in clause (iii)(II), the percentage referred to in paragraph (2)(A) shall be deemed to be a percentage equal to ½ of the ratio of weekly hours of employment referred to in clause (iii)(II) to weekly hours of employment of that worker at the time of separation (but not more than 50 percent).

''(C) ELIGIBILITY PERIOD FOR PAYMENTS.—A worker in a group of workers described in subparagraph (A) may receive payments described in paragraph (2)(A) under the program established under paragraph (1) for a period not to exceed 2 years from the date on which the worker exhausts all rights to unemployment insurance based on the separation of the worker from adversely affected employment or the date on which the worker obtains reemployment, whichever is earlier.

''(D) TRAINING AND OTHER SERVICES.—A worker described in subparagraph (B) shall be eligible to receive training approved under section 236 and services under section 235.

''(4) TOTAL AMOUNT OF PAYMENTS.—The payments described in paragraph (2)(A) made to a worker may not exceed $12,000 per worker during the eligibility period under paragraph (3)(C).

''(5) LIMITATION ON OTHER BENEFITS.—A worker described in paragraph (3) may not receive a trade readjustment allowance under part I of subchapter B during any week for which the worker receives a payment described in paragraph (2)(A).''; and

(3) in subsection (b)(2), by striking ''subsection (a)(3)(B)'' and inserting ''subsection (a)(3)''.

(b) EXTENSION OF PROGRAM.—Subsection (b)(1) of such section is amended by striking ''5'' and inserting ''10''.

(c) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by striking the item relating to section 246 and inserting the following:

''Sec. 246. Reemployment trade adjustment assistance program.''.

Subtitle F—Other Matters

SEC. 161. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 226. RESTRICTION ON ELIGIBILITY FOR PROGRAM BENEFITS.

''No benefit allowances, training, or other employment services may be provided under this chapter to a worker who is an alien unless the alien is an individual lawfully admitted for permanent residence to the United States, is lawfully present in the United States, or is permanently residing in the United States under color of law.''.

(b) CONFORMING AMENDMENT.—The table of contents of the Trade Act of 1974 is amended by adding after the item relating to section 225 the following:

''226. Restriction on eligibility for program benefits.''.

SEC. 162. AGREEMENTS WITH STATES.

(a) IN GENERAL.—Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) by striking ''will'' each place it appears and inserting ''shall''; and

(2) in clause (2), to read as follows: ''(2) in accordance with subsection (f), shall provide adversely affected workers covered by a certification under subchapter A the employment and case management services described in section 235''.

(b) OUTREACH.—Subsection (f) of such section is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) by striking paragraph (4) and inserting the following:

''(4) perform outreach, intake (which may include worker profiling) and orientation for assistance and benefits available under this chapter for adversely affected workers covered by a certification under subchapter A of this chapter, and''; and

(3) by adding at the end the following:

''(5) provide adversely affected workers covered by a certification under subchapter A of this chapter with employment and case management services described in section 235.''.

SEC. 163. FRAUD AND RECOVERY OF OVERPAYMENTS.

Section 243(a)(1) of the Trade Act of 1974 (19 U.S.C. 2315(a)(1)) is amended—

(1) in the matter preceding subparagraph (A)—

(A) by striking ''may waive'' and inserting ''shall waive''; and

(B) by striking '', in accordance with guidelines prescribed by the Secretary,'' and

(2) in subparagraph (B), by striking ''would be contrary to equity and good conscience'' and inserting ''would cause a financial hardship for the individual (or the individual's household, if applicable) when taking into consideration the income and resources reasonably available to the individual (or household) and other ordinary living expenses of the individual (or household)''.

SEC. 164. TECHNICAL AMENDMENTS.

(a) IN GENERAL.—Section 249 of the Trade Act of 1974 (19 U.S.C. 2321) is amended—

(1) in the heading, by striking ''**SUBPENA**'' and inserting ''**SUBPOENA**''; and

(2) in the text, by striking ''subpena'' and inserting ''subpoena'' each place it appears.

(b) CLERICAL AMENDMENT.—The item relating to section 249 in the table of contents for title II of the Trade Act of 1974 is amended to read as follows:

''249. Subpoena power.''.

SEC. 165. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250. OFFICE OF TRADE ADJUSTMENT ASSISTANCE; DEPUTY ASSISTANT SECRETARY FOR TRADE ADJUSTMENT ASSISTANCE.

''(a) ESTABLISHMENT.—There is established in the Department of Labor an office to be known as the Office of Trade Adjustment Assistance (hereinafter in this section referred to as the 'Office').

''(b) HEAD OF OFFICE.—The head of the Office shall be the Deputy Assistant Secretary for Trade Adjustment Assistance (hereinafter in this section referred to as the 'Deputy Assistant Secretary'), who shall be appointed by the President, by and with the advice and consent of the Senate.

''(c) PRINCIPLE FUNCTIONS.—The principle functions of the Deputy Assistant Secretary shall be—

''(1) to oversee and implement the administration of trade adjustment assistance for workers under this chapter; and

''(2) to carry out functions delegated to the Secretary of Labor under this chapter, including—

''(A) making determinations under section 223 or 223A;

''(B) providing information about the program and assisting groups of workers and other parties to prepare petitions or applications for program benefits under section 225;

''(C) ensuring workers covered by a certification receive the employment services described in section 235;

''(D) ensuring States fully comply with agreements under section 239;

''(E) acting as a vigorous advocate for workers applying for assistance under this chapter;

''(F) receiving complaints, grievances, and requests for assistance from workers under this chapter;

''(G) establishing and overseeing a hotline that workers, employers, and other entities may call to obtain information regarding eligibility criteria, procedural requirements, and benefits available under this chapter; and

''(H) carrying out such other duties with respect to this chapter as the President may specify for purposes of this section.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 249 the following:

''Sec. 250. Office of Trade Adjustment Assistance; Deputy Assistant Secretary for Trade Adjustment Assistance.''.

SEC. 166. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

(a) IN GENERAL.—Subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.) is amended by adding at the end the following:

''SEC. 250A. COLLECTION OF DATA AND REPORTS; INFORMATION TO WORKERS.

''(a) IN GENERAL.—Not later than 90 days after the date of the enactment of the Trade and Globalization Assistance Act of 2007, the Secretary shall implement a system to collect and publicly disseminate data on all adversely affected workers who apply for or receive adjustment assistance under this chapter.

''(b) DATA TO BE INCLUDED.—The system required under subsection (a) shall include collection of the following data classified by State, industry, and nationwide totals:

''(1) The number of petitions and number of workers covered by petitions filed, certified and denied.

''(2) The date of filing of each petition and the date of the determination, and the average processing time, by year, on petitions.

''(3) A breakdown, by the claimed cause of dislocation, of petitions denied, such as increased imports, shift in production, and other bases for eligibility.

''(4) A breakdown of the number of certified petitions by the cause of dislocation, such as increase in imports, shift in production, and other causes of eligibility for adjustment assistance.

''(5) The number of workers participating in any aspect of the adjustment assistance program under this chapter.

''(6) Reemployment rates and sectors in which dislocated workers have been employed after receiving adjustment assistance under this chapter.

''(7) The type of adjustment assistance received under this chapter, such as training or education assistance, reemployment adjustment assistance, cash benefits, health coverage, and relocation allowances, the number of workers receiving each type of assistance, and the average duration of time workers receive each type of assistance.

''(8) The fields of training or education in which workers receiving training or education benefits under this chapter are enrolled, the number of workers participating in each field, classified by major types of training or education.

''(9) The number of workers leaving training before completing a course of training or education, classified by the cause for early termination.

''(10) The number of training waivers granted, classified by type of waiver.

''(11) The wages of workers before separation and any job obtained after receiving benefits under the trade adjustment assistance program under this chapter.

''(12) The average duration of training that was completed.

''(c) COLLECTION OF DATA FROM STATES.—The Secretary is authorized to collect such data from the States as is necessary to carry out this section.

''(d) REPORT.—Not later than 16 months after the date of the enactment of the Trade and Globalization Assistance Act of 2007, and annually thereafter, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and any other congressional committee of appropriate jurisdiction, a report on whether changes to eligibility requirements, benefits, or training funding under the trade adjustment assistance program under this chapter should be made based on the data collected under subsection (b).

''(e) AVAILABILITY ON WEBSITE OF THE DEPARTMENT OF LABOR.—The Secretary shall make the data collected under subsection (b) publicly available on the website of the Department of Labor, in a searchable format, and shall update the data quarterly.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 250 (as added by section 163(b) of this Act) the following:

''Sec. 250A. Collection of data and reports; information to workers.''.

SEC. 167. EXTENSION OF TAA PROGRAM.

(a) FOR WORKERS.—Section 245(a) of the Trade Act of 1974 (19 U.S.C. 2317(a)) is amended by striking ''December 31, 2007'' and inserting ''September 30, 2012''.

(b) TERMINATION.—Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by striking ''December 31, 2007'' each place it appears and inserting ''September 30, 2012''.

(c) FOR FARMERS.—Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended by adding at the end the following: ''There are authorized to be appropriated to the Department of Agriculture not to exceed $81,000,000 for the 9-month period beginning on January 1, 2008, and $90,000,000 for each of the fiscal years 2009 through 2012 to carry out the purposes of this chapter.''.

SEC. 168. JUDICIAL REVIEW.

Section 284 of the Trade Act of 1974 (19 U.S.C. 2395) is amended—

(1) in subsection (a)—

(A) by inserting ''or 223A'' after ''223''; and

(B) by striking ''271'' and inserting ''273'';

(2) by amending subsection (b) to read as follows:

''(b) STANDARD OF REVIEW.—The Court of International Trade shall have jurisdiction to review the case as provided in section 706 of title 5, Untied States Code. The findings of fact by the Secretary of Labor, the Secretary of Commerce, or the Secretary of Agriculture, as the case may be, must be supported by substantial evidence and must be based on a reasonable investigation. The Court of International Trade may—

''(1) remand the case to such Secretary to take further evidence; or

''(2) reverse the action of such Secretary.

If the case is remanded under paragraph (1), the Secretary concerned may make new or modified findings of fact and may modify the Secretary's previous action, and shall certify to the court the record of the further proceedings. The new or modified findings of fact must be supported by substantial evidence and must be based on a reasonable investigation.''; and

(3) in subsection (c), by striking the first sentence.

SEC. 169. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

(a) IN GENERAL.—Chapter 5 of title II of the Trade Act of 1974 (19 U.S.C. 2391 et seq.) is amended by adding at the end the following:

''SEC. 288. LIBERAL CONSTRUCTION OF CERTIFICATION OF WORKERS AND FIRMS.

''The provisions of chapter 2 (relating to adjustment assistance for workers) and the provisions of chapter 3 (relating to adjustment assistance for firms) shall be liberally construed in favor of certifying workers for assistance under such chapter 2 and certifying firms for assistance under such chapter 3.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 287 the following:

''Sec. 288. Liberal construction of certification of workers and firms.''.

TITLE II—TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

SEC. 201. TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

(a) IN GENERAL.—Section 251 of the Trade Act of 1974 (19 U.S.C. 2341) is amended—

(1) in subsection (a), by inserting ''or service sector firm'' after ''(including any agricultural firm'';

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by inserting ''or service sector firm'' after ''any agricultural firm''; and

(ii) in subparagraph (B)—

(I) in clause (i), by striking '', or'' and inserting a comma;

(II) in clause (ii)—

(aa) by inserting ''or service'' after ''of an article''; and

(bb) by striking '', and'' and inserting a comma; and

(III) by adding at the end the following:

''(iii) sales or production, or both, of the firm, during the period consisting of not more than 36 months preceding the most recent 12-month period for which data are available, have decreased absolutely, or

''(iv) sales or production, or both, of an article or service that accounted for not less than 25 percent of the total production or sales of the firm during the 36-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and''; and

(B) in the matter preceding subparagraph (A) of paragraph (2) , by striking ''paragraph (1)(C)—'' and inserting ''paragraph (1)(C):''; and

(3) by adding at the end the following:

''(e) BASIS FOR THE DETERMINATION OF THE SECRETARY.—

''(1) INCREASED IMPORTS.—For purposes of subsection (c)(1)(C), the Secretary—

''(A) may use data from any of the preceding three calendar years to determine if the requirements of such subsection have been met;

''(B) may determine that increases of imports of like or directly competitive articles or services exist if customers accounting for a significant percentage of the decrease in the sales of the firm certify to the Secretary that such customers are obtaining such articles or services from a foreign country; and

''(C) may, in determining whether increased imports of like or directly competitive articles or services exist, give special consideration to whether it is difficult to demonstrate an increase of such imports if the share of such imports relative to production or consumption in the United States of the article produced or service provided by the firm concerned is already significant.

''(2) PROCESS AND METHODS FOR OBTAINING CERTIFICATIONS.—

''(A) REQUEST BY PETITIONER.—If requested by a firm, the Secretary shall obtain the certifications under paragraph (1)(B) in such manner as the Secretary determines is appropriate.

''(B) PROTECTION OF CONFIDENTIAL INFORMATION.—The Secretary may not release information obtained under subparagraph (A) that the Secretary considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Secretary, or such party subsequently consents to the release of the information. Nothing in this subparagraph shall be construed to prohibit a court from requiring the submission of such confidential business information to the court in camera.

''(f) NOTIFICATION TO FIRMS OF AVAILABILITY OF BENEFITS.—Upon receiving notice from the Secretary of Labor under section 225(c) of the identity of a firm or firms that are covered by a certification issued under section 223 or 223A, the Secretary of Commerce shall notify such firm or firms of the availability of adjustment assistance under this chapter.''.

(b) DEFINITION.—Section 261 of the Trade Act of 1974 (19 U.S.C. 2351) is amended—

(1) by striking ''For purposes of'' and inserting ''(a) FIRM.—For purposes of''; and

(2) by adding at the end the following:

''(b) SERVICE SECTOR FIRM.—For purposes of this chapter, the term 'service sector firm' means a firm engaged in the business of providing services.''.

SEC. 202. EXTENSION OF AUTHORIZATION OF TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by striking ''and $4,000,000 for the 3-month period beginning on October 1, 2007,'' inserting ''and $50,000,000 for each of fiscal years 2008 through 2012,'' after ''fiscal years 2003 through 2007,''; and

(2) by inserting after the first sentence the following: ''Of the amounts appropriated pursuant to this subsection for each fiscal year, $350,000 shall be available for full-time positions in the Department of Commerce to administer the program under this chapter.''.

SEC. 203. INDUSTRY-WIDE PROGRAMS FOR THE DEVELOPMENT OF NEW SERVICES.

Section 265(a) of the Trade Act of 1974 (19 U.S.C. 2355(a)) is amended—

(1) in the first sentence, by striking ''new product development'' and inserting ''the development of new products and services''; and

(2) in the second sentence, by inserting '', 223A,'' after ''223''.

SEC. 204. DEMONSTRATION PROJECT ON STRATEGIC TRADE TRANSFORMATION ASSISTANCE.

(a) IN GENERAL.—Chapter 3 of title II of the Trade Act of 1974 (19 U.S.C. 2341 et seq.) is amended by adding at the end the following:

''SEC. 266. DEMONSTRATION PROJECT ON STRATEGIC TRADE TRANSFORMATION ASSISTANCE.

''(a) IN GENERAL.—The Secretary shall conduct a demonstration project (in this section referred to as the 'project') to demonstrate a programmatic framework that will allow small- and medium-sized manufacturers in the United States to gain access to resources that will help them better compete domestically and globally. The project should include among its primary goals the following:

''(1) Expanding the number of firms capable of taking advantage of a trade remedy program without drastically increasing the cost of the remedy to the taxpayer.

''(2) Certifying and providing assistance to approximately 700 firms.

''(3) Integrating the benefits of other applicable government programs into the project, and making benefits from the project subject to that integration.

''(4) Increasing the number of small- and medium-sized firms that export and increasing the value of exports from these firms.

''(5) Increasing revenues that small- and medium-sized firms derive from sales to the Federal Government and State and local governments.

''(6) Expanding technology availability to the small- and medium-sized firm segment by increasing access to, and adoption of, the latest technologies being developed at Federal laboratories and at universities.

''(7) Improving the business and manufacturing practices of small- and medium-sized firms to enable them to become competitive in a global marketplace.

''(b) ADVISORY BOARD.—

''(1) IN GENERAL.—In carrying out the project, the Secretary shall establish an advisory board comprised of representatives described in paragraph (2) to provide advice and recommendations with respect to the establishment and operation of the project.

''(2) REPRESENTATIVES.—Representatives referred to in paragraph (1) shall consist of the respective executive directors of each Trade Adjustment Assistance Center affiliated with the trade adjustment assistance for firms program under this chapter.

''(c) DURATION.—The Secretary shall conduct the project for the 3-year period beginning on the date that is 180 days after the date of the enactment of this Act.

''(d) ADMINISTRATION OF PROJECT.—In implementing the project, the Secretary shall give preference, in entering into contracts for the operation and administration of the project, to Trade Adjustment Assistance Centers affiliated with the trade adjustment assistance for firms program under this chapter.

''(e) REPORT.—The Secretary shall submit to the Congress a report on the project under this section not later than 6 months after the date of the completion of the project. Such report shall include—

''(1) information on the impact of the project on mitigating the impact of imports in terms of competitiveness; and

''(2) recommendations on the cost-effectiveness of extending or expanding the project.

''(f) FUNDING.—Of the amounts made available to carry out this chapter for fiscal years 2008 through 2012, not more than $1,000,000 for each such fiscal year is authorized to be made available to carry out this section.''.

(b) CLERICAL AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the item relating to section 265 the following:

''Sec. 266. Demonstration project on strategic trade transformation assistance.''.

TITLE III—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS

SEC. 301. ELIGIBILITY OF CERTAIN OTHER PRODUCERS.

Section 292 of the Trade Act of 1974 (19 U.S.C. 2401a) is amended—

(1) in subsection (a), by inserting ''and on the Website of the Department of Agriculture'' after ''Federal Register''; and

(2) by adding at the end the following:

''(f) ELIGIBILITY OF CERTAIN OTHER PRODUCERS.—An agricultural commodity producer or group of producers that resides outside of the State or region identified in a petition filed under subsection (a) may file a request to become a party to that petition not later than 30 days after the date notice is published in the Federal Register and on the Website of the Department of Agriculture with respect to that petition.''.

TITLE IV—UNEMPLOYMENT INSURANCE

SEC. 301. SHORT TITLE.

This title may be cited as the ''Unemployment Insurance Modernization Act''.

SEC. 302. SPECIAL TRANSFERS TO STATE ACCOUNTS IN THE UNEMPLOYMENT TRUST FUND.

(a) IN GENERAL.—Section 903 of the Social Security Act (42 U.S.C. 1103) is amended by adding at the end the following:

''Special Transfers in Fiscal Years 2008 Through 2012 for Modernization

''(f)(1)(A) In addition to any other amounts, the Secretary of Labor shall provide for the making of unemployment compensation modernization incentive payments (hereinafter 'incentive payments') to the accounts of the States in the Unemployment Trust Fund, by transfer from amounts reserved for that purpose in the Federal unemployment account, in accordance with succeeding provisions of this subsection.

''(B) The maximum incentive payment allowable under this subsection with respect to any State shall, as determined by the Secretary of Labor, be equal to the amount obtained by multiplying $7,000,000,000 times the same ratio as is applicable under subsection (a)(2)(B) for purposes of determining such State's share of any funds to be transferred under subsection (a) as of October 1, 2007.

''(C) Of the maximum incentive payment determined under subparagraph (B) with respect to a State—

''(i) one-third shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (2); and

''(ii) the remainder shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (3).

''(2) The State law of a State meets the requirements of this paragraph if such State law—

''(A) uses a base period that includes the most recently completed calendar quarter before the start of the benefit year for purposes of determining eligibility for unemployment compensation; or

''(B) provides that, in the case of an individual who would not otherwise be eligible for unemployment compensation under the State law because of the use of a base period that does not include the most recently completed calendar quarter before the start of the benefit year, eligibility shall be determined using a base period that includes such calendar quarter.

''(3) The State law of a State meets the requirements of this paragraph if such State law includes provisions to carry out at least 2 of the following subparagraphs:

''(A) An individual shall not be denied regular unemployment compensation under any State

law provisions relating to availability for work, active search for work, or refusal to accept work, solely because such individual is seeking only part-time (and not full-time) work, except that the State law provisions carrying out this subparagraph may exclude an individual if a majority of the weeks of work in such individual's base period do not include part-time work.

''(B) An individual shall not be disqualified from regular unemployment compensation for separating from employment if that separation is for compelling family reasons. For purposes of this subparagraph, the term 'compelling family reasons' includes at least the following:

''(i) Domestic violence (verified by such reasonable and confidential documentation as the State law may require) which causes the individual reasonably to believe that such individual's continued employment would jeopardize the safety of the individual or of any member of the individual's immediate family.

''(ii) The illness or disability of a member of the individual's immediate family.

''(iii) The need for the individual to accompany such individual's spouse—

''(I) to a place from which it is impractical for such individual to commute; and

''(II) due to a change in location of the spouse's employment.

''(C) Weekly unemployment compensation is payable under this subparagraph to any individual who is unemployed (as determined under the State unemployment compensation law), has exhausted all rights to regular and (if applicable) extended unemployment compensation under the State law, and is enrolled and making satisfactory progress in a State-approved training program or in a job training program authorized under the Workforce Investment Act of 1998. Such program shall prepare individuals who have been separated from a declining occupation, or who have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations at the individual's place of employment, for entry into a high-demand occupation. The amount of unemployment compensation payable under this subparagraph to an individual for a week of unemployment shall be equal to the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year, and the total amount of unemployment compensation payable under this subparagraph to any individual shall be equal to at least 26 times the individual's average weekly benefit amount (including dependents' allowances) for the most recent benefit year.

''(4)(A) Any State seeking an incentive payment under this subsection shall submit an application therefor at such time, in such manner, and complete with such information as the Secretary of Labor may by regulation prescribe, including information relating to compliance with the requirements of paragraph (2) or (3), as well as how the State intends to use the incentive payment to improve or strengthen the State's unemployment compensation program. The Secretary of Labor shall, within 90 days after receiving a complete application, notify the State agency of the State of the Secretary's findings with respect to the requirements of paragraph (2) or (3) (or both).

''(B) If the Secretary of Labor finds that the State law provisions (disregarding any State law provisions which are not then currently in effect as permanent law or which are subject to discontinuation under certain conditions) meet the requirements of paragraph (2) or (3), as the case may be, the Secretary of Labor shall thereupon make a certification to that effect to the Secretary of the Treasury, together with a certification as to the amount of the incentive payment to be transferred to the State account pursuant to that finding. The Secretary of the Treasury shall make the appropriate transfer within 30 days after receiving such certification.

''(C)(i) No certification of compliance with the requirements of paragraph (2) or (3) may be made with respect to any State whose State law is not otherwise eligible for certification under section 303 or approvable under section 3304 of the Federal Unemployment Tax Act.

''(ii) No certification of compliance with the requirements of paragraph (3) may be made with respect to any State whose State law is not in compliance with the requirements of paragraph (2).

''(iii) No application under subparagraph (A) may be considered if submitted before October 1, 2007, or after the latest date necessary (as specified by the Secretary of Labor in regulations) to ensure that all incentive payments under this subsection are made before October 1, 2012.

''(5)(A) Except as provided in subparagraph (B), any amount transferred to the account of a State under this subsection may be used by such State only in the payment of cash benefits to individuals with respect to their unemployment (including for dependents' allowances and for unemployment compensation under paragraph (3)(C)), exclusive of expenses of administration.

''(B) A State may, subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection), use any amount transferred to the account of such State under this subsection for the administration of its unemployment compensation law and public employment offices.

''(6) Out of any money in the Federal unemployment account not otherwise appropriated, the Secretary of the Treasury shall reserve $7,000,000,000 for incentive payments under this subsection. Any amount so reserved shall not be taken into account for purposes of any determination under section 902, 910, or 1203 of the amount in the Federal unemployment account as of any given time. Any amount so reserved for which the Secretary of the Treasury has not received a certification under paragraph (4)(B) by the deadline described in paragraph (4)(C)(iii) shall, upon the close of fiscal year 2012, become unrestricted as to use as part of the Federal unemployment account.

''(7) For purposes of this subsection, the terms 'benefit year', 'base period', and 'week' have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

''Special Transfers in Fiscal Years 2008 Through 2012 for Administration

''(g)(1) Notwithstanding any other provision of this section, the total amount available for transfer to the accounts of the States pursuant to subsection (a) as of the beginning of each of fiscal years 2008, 2009, 2010, 2011, and 2012 shall be equal to the total amount which (disregarding this subsection) would otherwise be so available, increased by $100,000,000.

''(2) Each State's share of any additional amount made available by this subsection shall be determined, certified, and computed in the same manner as described in subsection (a)(2) and shall be subject to the same limitations on transfers as described in subsection (b). For purposes of applying subsection (b)(2), the balance of any advances made to a State under section 1201 shall be credited against, and operate to reduce (but not below zero)—

''(A) first, any additional amount which, as a result of the enactment of this subsection, is to be transferred to the account of such State in a fiscal year; and

''(B) second, any amount which (disregarding this subsection) is otherwise to be transferred to the account of such State pursuant to subsections (a) and (b) in such fiscal year.

''(3) Any additional amount transferred to the account of a State as a result of the enactment of this subsection—

''(A) may be used by the State agency of such State only in the payment of expenses incurred by it for—

''(i) the administration of the provisions of its State law carrying out the purposes of subsection (f)(2) or any subparagraph of subsection (f)(3);

''(ii) improved outreach to individuals who might be eligible for regular unemployment compensation by virtue of any provisions of the State law which are described in clause (i);

''(iii) the improvement of unemployment benefit and unemployment tax operations; and

''(iv) staff-assisted reemployment services for unemployment compensation claimants; and

''(B) shall be excluded from the application of subsection (c).

''(4) The total additional amount made available by this subsection in a fiscal year shall be taken out of the amounts remaining in the employment security administration account after subtracting the total amount which (disregarding this subsection) is otherwise required to be transferred from such account in such fiscal year pursuant to subsections (a) and (b).''.

(b) REGULATIONS.—The Secretary of Labor may prescribe any regulations necessary to carry out the amendment made by subsection (a).

SEC. 303. EXTENSION OF FUTA TAX.

Section 3301 of the Internal Revenue Code of 1986 (relating to rate of tax) is amended—

(1) by striking ''2007'' in paragraph (1) and inserting ''2010'', and

(2) by striking ''2008'' in paragraph (2) and inserting ''2011''.

SEC. 304. SAFETY NET REVIEW COMMISSION.

(a) ESTABLISHMENT.—The Secretary of Labor shall establish an advisory commission to be known as the ''Safety Net Review Commission'' (hereinafter in this section referred to as the ''Commission'').

(b) FUNCTION.—It shall be the function of the Commission to evaluate the unemployment compensation program, the Trade Adjustment Assistance program, the Job Corps program, a program under the Workforce Investment Act, and other employment assistance programs, including the purpose, goals, countercyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of each such program, as well as any related provisions of the Internal Revenue Code of 1986, and to make recommendations for their improvement.

(c) MEMBERS.—

(1) IN GENERAL.—The Commission shall consist of 11 members as follows:

(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance of the Senate.

(C) 3 members appointed by the Speaker of the House of Representatives, in consultation with the Chairman and ranking member of the Committee on Ways and Means of the House of Representatives.

(2) QUALIFICATIONS.—In appointing members under subparagraphs (B) and (C) of paragraph (1), the President pro tempore of the Senate and the Speaker of the House of Representatives shall each appoint—

(A) 1 representative of the interests of business,

(B) 1 representative of the interests of labor, and

(C) 1 representative of the interests of State governments.

(3) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(4) CHAIRMAN.—The President shall appoint the Chairman of the Commission from among its members.

(d) STAFF AND OTHER ASSISTANCE.—

(1) IN GENERAL.—The Commission may engage any technical assistance (including actuarial services) required by the Commission to carry out its functions under this section.

(2) ASSISTANCE FROM SECRETARY OF LABOR.—The Secretary of Labor shall provide the Commission with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Commission to carry out its functions under this section.

(e) COMPENSATION.—Each member of the Commission—

(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Commission; and

(2) while engaged in the performance of such duties away from such member's home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of such title 5 for persons in the Government employed intermittently.

(f) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Commission shall submit to the President and the Congress a report setting forth the findings and recommendations of the Commission as a result of its evaluation under this section.

(g) TERMINATION.—The Commission shall terminate 2 months after submitting its report pursuant to subsection (f).

TITLE V—MANUFACTURING REDEVELOPMENT ZONES

SEC. 401. MANUFACTURING REDEVELOPMENT ZONES.

(a) IN GENERAL.—Subchapter Y of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new part:

"PART III—MANUFACTURING REDEVELOPMENT ZONES

"Sec. 1400U–1. Designation of manufacturing redevelopment zones.
"Sec. 1400U–2. Eligibility criteria.
"Sec. 1400U–3. Manufacturing redevelopment tax credit bonds.
"Sec. 1400U–4. Tax-exempt manufacturing zone facility bonds.
"Sec. 1400U–5. Additional low-income housing credits.

"SEC. 1400U–1. DESIGNATION OF MANUFACTURING REDEVELOPMENT ZONES.

"(a) IN GENERAL.—From among the areas nominated for designation under this section, the Secretary may designate manufacturing redevelopment zones.

"(b) LIMITATIONS ON DESIGNATIONS.—The Secretary may designate in the aggregate 24 nominated areas as manufacturing redevelopment zones, subject to the availability of eligible nominated areas. The Secretary shall designate manufacturing redevelopment zones in such manner that the aggregate population of all such zones does not exceed 2,000,000.

"(c) PERIOD DESIGNATION MAY BE MADE.—A designation may be made under subsection (a) only during the 2-year period beginning on the date of the enactment of this section.

"(d) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

"(1) IN GENERAL.—Any designation under this section shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

"(A) the close of the 10th calendar year beginning on or after the date of the designation,

"(B) the termination date designated by the State and local governments as provided for in their nomination, or

"(C) the date the Secretary revokes the designation.

"(2) REVOCATION OF DESIGNATION.—The Secretary may revoke the designation under this section of an area if such Secretary determines that the local government or the State in which it is located—

"(A) has modified the boundaries of the area, or

"(B) is not complying substantially with, or fails to make progress in achieving the benchmarks set forth in, the strategic plan included with the application

"(e) LIMITATIONS ON DESIGNATIONS; APPLICATION.—Rules similar to the rules of subsections (e) and (f) of section 1391 shall apply for purposes of this section except that the rules of such subsection (f) shall be applied with respect to the eligibility criteria specified in section 1400U–2.

"(f) DETERMINATIONS OF POPULATION.—Any determination of population under this part shall be made on the basis of the most recent decennial census for which data are available.

"SEC. 1400U–2. ELIGIBILITY CRITERIA.

"(a) IN GENERAL.—A nominated area shall be eligible for designation under section 1400U–1 only if—

"(1) it meets each of the criteria specified in section 1392(a),

"(2) the nominated area has experienced a significant decline in the number of individuals employed in manufacturing or has a high concentration of abandoned or underutilized manufacturing facilities, and

"(3) no portion of the nominated area is located in an empowerment zone or renewal community, unless the local government which nominated the area elects to terminate such designation as an empowerment zone or renewal community.

"(b) APPLICATION OF CERTAIN RULES; DEFINITIONS.—For purposes of this subchapter—

"(1) rules similar to the rules of subsections (b), (c), and (d) of section 1392 and paragraphs (4), (7), (8), and (9) of section 1393(a) shall apply, and

"(2) any term defined in section 1393 shall have the same meaning when used in this subchapter.

"(c) DISCRETION TO ADJUST REQUIREMENTS.—In determining whether a nominated area is eligible for designation as a manufacturing redevelopment zone, the Secretary may, where necessary to carry out the purposes of this part, waive the requirement of section 1392(a)(4) if it is shown that the nominated area has experienced a loss of manufacturing jobs during the previous 20 years which is in excess of 25 percent.

"SEC. 1400U–3. MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.

"(a) IN GENERAL.—For purposes of subpart I of part IV of subchapter A (relating to qualified tax credit bonds), the term 'manufacturing redevelopment bond' means any bond issued as part of an issue if—

"(1) 100 percent of the available project proceeds of such issue are to be used for one or more qualified manufacturing redevelopment purposes,

"(2) the bond is not a private activity bond, and

"(3) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

"(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under subsection (a) with respect to any manufacturing redevelopment zone shall not exceed $150,000,000.

"(c) QUALIFIED MANUFACTURING REDEVELOPMENT PURPOSE.—For purposes of this section, the term 'qualified manufacturing redevelopment purposes' means capital expenditures paid or incurred with respect to property located in a manufacturing redevelopment zone for purposes of promoting development or other economic activity in such zone, including expenditures for environmental remediation, improvements to public infrastructure, and construction of public facilities.

"(d) DEFINITIONS.—For purposes of this section, any term used in this section which is also used in section 54A shall have the same meaning given such term by section 54A.

"SEC. 1400U–4. TAX-EXEMPT MANUFACTURING ZONE FACILITY BONDS.

"(a) IN GENERAL.—For purposes of part IV of subchapter B (relating to tax exemption requirements for State and local bonds), the term 'exempt facility bond' includes any bond issued as part of an issue if—

"(1) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for manufacturing zone property, and

"(2) the local government which nominated the area to which such bond relates designates such bond for purposes of this section.

"(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

"(1) IN GENERAL.—The aggregate face amount of bonds which may be designated under subsection (a)(2) with respect to any manufacturing redevelopment zone shall not exceed $230,000,000.

"(2) CURRENT REFUNDING NOT TAKEN INTO ACCOUNT.—In the case of a refunding (or series of refundings) of a bond designated under this section, the refunding obligation shall be treated as designated under subsection (a)(2) (and shall not be taken into account in applying paragraph (1)) if—

"(A) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

"(B) the refunded bond is redeemed not later than 90 days after the date of issuance of the refunding bond.

"(c) LIMITATION ON AMOUNT OF BONDS ALLOCABLE TO ANY PERSON.—

"(1) IN GENERAL.—Subsection (a) shall not apply to any issue if the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person (taking into account such issue) exceeds—

"(A) $15,000,000 with respect to any 1 manufacturing redevelopment zone, or

"(B) $20,000,000 with respect to all manufacturing redevelopment zones.

"(2) AGGREGATE ENTERPRISE ZONE FACILITY BOND BENEFIT.—For purposes of paragraph (1), the aggregate amount of outstanding manufacturing zone facility bonds allocable to any person shall be determined under rules similar to the rules of section 144(a)(10), taking into account only bonds to which subsection (a) applies.

"(d) MANUFACTURING ZONE PROPERTY.—For purposes of this section—

"(1) IN GENERAL.—The term 'manufacturing zone property' means any property to which section 168 applies (or would apply but for section 179) if—

"(A) such property was acquired by the taxpayer by purchase (as defined in section 179(d)(2)) after the date on which the designation of the manufacturing redevelopment zone took effect,

"(B) the original use of which in the manufacturing redevelopment zone commences with the taxpayer, and

"(C) substantially all of the use of which is in the manufacturing redevelopment zone and is in the active conduct of a qualified business by the taxpayer in such zone.

"(2) QUALIFIED BUSINESS.—The term 'qualified business' means any trade or business except that—

"(A) the rental to others of real property located in a manufacturing redevelopment zone shall be treated as a qualified business only if the property is not residential rental property (as defined in section 168(e)(2)), and

"(B) such term shall not include any trade or business consisting of the operation of any facility described in section 144(c)(6)(B).

"(3) SPECIAL RULES FOR SUBSTANTIAL RENOVATIONS AND SALE-LEASEBACK.—Rules similar to

the rules of subsections (a)(2) and (b) of section 1397D shall apply for purposes of this subsection.

''(e) NONAPPLICATION OF CERTAIN RULES.—Sections 57(a)(5) (relating to tax-exempt interest), 146 (relating to volume cap), and 147(d) (relating to acquisition of existing property not permitted) shall not apply to any manufacturing zone facility bond.

''SEC. 1400U–5. ADDITIONAL LOW-INCOME HOUSING CREDITS.

''(a) IN GENERAL.—For purposes of section 42, in the case of each calendar year during which the designation of a manufacturing redevelopment zone is in effect, the State housing credit ceiling of the State which includes such manufacturing redevelopment zone shall be increased by the lesser of—

''(1) the aggregate housing credit dollar amount allocated by the State housing credit agency of such State to buildings located in such manufacturing redevelopment zone for such calendar year, or

''(2) the excess of—

''(A) the manufacturing zone housing amount with respect to such manufacturing redevelopment zone, over

''(B) the aggregate increases under this subsection with respect to such zone for all preceding calendar years.

''(b) MANUFACTURING ZONE HOUSING AMOUNT.—For purposes of subsection (a), the term 'manufacturing zone housing amount' means, with respect to any manufacturing redevelopment zone, the product of $20 multiplied by the population of such zone.

''(c) OTHER RULES.—

''(1) CARRYOVERS.—Rules similar to the rules of section 1400N(c)(1)(C) shall apply for purposes of this section.

''(2) RETURNED AMOUNTS.—If any amount of State housing credit ceiling which was taken into account under subsection (a)(1) is returned within the meaning of section 42(h)(3)(C)(iii)—

''(A) such amount shall not be taken into account under such section, and

''(B) such allocation shall cease to be treated as an increase under this subsection for purposes of subsection (a)(2)(B) until reallocated.''.

(b) APPLICATION OF WORK OPPORTUNITY TAX CREDIT TO MANUFACTURING REDEVELOPMENT ZONES.—Subparagraphs (A) and (B) of section 51(d)(5) of such Code are each amended by inserting ''manufacturing redevelopment zone,'' after ''renewal community,''.

(c) CONFORMING AMENDMENTS RELATED TO MANUFACTURING REDEVELOPMENT TAX CREDIT BONDS.—

(1) GENERAL RULES.—Part IV of subchapter A of chapter 1 of such Code (relating to credits against tax) is amended by adding at the end the following new subpart:

''Subpart I—Qualified Tax Credit Bonds

''Sec. 54A. Credit to holders of qualified tax credit bonds.

''SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED TAX CREDIT BONDS.

''(a) ALLOWANCE OF CREDIT.—If a taxpayer holds a qualified tax credit bond on one or more credit allowance dates of the bond during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to such dates.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified tax credit bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified tax credit bond is the product of—

''(A) the applicable credit rate, multiplied by

''(B) the outstanding face amount of the bond.

''(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (2), the applicable credit rate is the rate which the Secretary estimates will permit the issuance of qualified tax credit bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer. The applicable credit rate with respect to any qualified tax credit bond shall be determined as of the first day on which there is a binding, written contract for the sale or exchange of the bond.

''(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under this part (other than subpart C and this subpart).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

''(d) QUALIFIED TAX CREDIT BOND.—For purposes of this section—

''(1) QUALIFIED TAX CREDIT BOND.—The term 'qualified tax credit bond' means a manufacturing redevelopment bond (as defined in section 1400U–3) which is part of an issue that meets the requirements of paragraphs (2), (3), (4), (5), and (6).

''(2) SPECIAL RULES RELATING TO EXPENDITURES.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if, as of the date of issuance, the issuer reasonably expects—

''(i) 100 percent or more of the available project proceeds to be spent for 1 or more qualified purposes within the 3-year period beginning on such date of issuance, and

''(ii) a binding commitment with a third party to spend at least 10 percent of such available project proceeds will be incurred within the 6-month period beginning on such date of issuance.

''(B) FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 3 YEARS.—

''(i) IN GENERAL.—To the extent that less than 100 percent of the available project proceeds of the issue are expended by the close of the expenditure period for 1 or more qualified purposes, the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

''(ii) EXPENDITURE PERIOD.—For purposes of this subpart, the term 'expenditure period' means, with respect to any issue, the 3-year period beginning on the date of issuance. Such term shall include any extension of such period under clause (iii).

''(iii) EXTENSION OF PERIOD.—Upon submission of a request prior to the expiration of the expenditure period (determined without regard to any extension under this clause), the Secretary may extend such period if the issuer establishes that the failure to expend the proceeds within the original expenditure period is due to reasonable cause and the expenditures for qualified purposes will continue to proceed with due diligence.

''(C) QUALIFIED PURPOSE.—For purposes of this paragraph, the term 'qualified purpose' means a purpose specified in section 1400U–3(a)(1).

''(D) REIMBURSEMENT.—For purposes of this subtitle, available project proceeds of an issue shall be treated as spent for a qualified purpose if such proceeds are used to reimburse the issuer for amounts paid for a qualified purpose after the date that the Secretary makes an allocation of bond limitation with respect to such issue, but only if—

''(i) prior to the payment of the original expenditure, the issuer declared its intent to reimburse such expenditure with the proceeds of a qualified tax credit bond,

''(ii) not later than 60 days after payment of the original expenditure, the issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

''(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

''(3) REPORTING.—An issue shall be treated as meeting the requirements of this paragraph if the issuer of qualified tax credit bonds submits reports similar to the reports required under section 149(e).

''(4) SPECIAL RULES RELATING TO ARBITRAGE.—

''(A) IN GENERAL.—An issue shall be treated as meeting the requirements of this paragraph if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

''(B) SPECIAL RULE FOR INVESTMENTS DURING EXPENDITURE PERIOD.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any investment of available project proceeds during the expenditure period.

''(C) SPECIAL RULE FOR RESERVE FUNDS.—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any fund which is expected to be used to repay such issue if—

''(i) such fund is funded at a rate not more rapid than equal annual installments,

''(ii) such fund is funded in a manner that such fund will not exceed the amount necessary to repay the issue if invested at the maximum rate permitted under clause (iii), and

''(iii) the yield on such fund is not greater than the discount rate determined under paragraph (5)(B) with respect to the issue.

''(5) MATURITY LIMITATION.—

''(A) IN GENERAL.—An issue shall not be treated as meeting the requirements of this paragraph if the maturity of any bond which is part of such issue exceeds the maximum term determined by the Secretary under subparagraph (B).

''(B) MAXIMUM TERM.—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

''(e) OTHER DEFINITIONS.—For purposes of this subchapter—

''(1) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.

Such term includes the last day on which the bond is outstanding.

''(2) BOND.—The term 'bond' includes any obligation.

''(3) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

''(4) AVAILABLE PROJECT PROCEEDS.—The term 'available project proceeds' means—

''(A) the excess of—

''(i) the proceeds from the sale of an issue, over

''(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 2 percent of such proceeds), and

''(B) the proceeds from any investment of the excess described in subparagraph (A).

''(f) CREDIT TREATED AS INTEREST.—For purposes of this subtitle, the credit determined under subsection (a) shall be treated as interest which is includible in gross income.

''(g) S CORPORATIONS AND PARTNERSHIPS.—In the case of a tax credit bond held by an S corporation or partnership, the allocation of the credit allowed by this section to the shareholders of such corporation or partners of such partnership shall be treated as a distribution.

''(h) BONDS HELD BY REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If any qualified tax credit bond is held by a regulated investment company or a real estate investment trust, the credit determined under subsection (a) shall be allowed to shareholders of such company or beneficiaries of such trust (and any gross income included under subsection (f) with respect to such credit shall be treated as distributed to such shareholders or beneficiaries) under procedures prescribed by the Secretary.''.

(2) REPORTING.—Subsection (d) of section 6049 of such Code (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(9) REPORTING OF CREDIT ON QUALIFIED TAX CREDIT BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 54A and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(e)(1)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''.

(3) OTHER CONFORMING AMENDMENTS RELATED TO TAX CREDIT BONDS.—

(A) Sections 54(c)(2) and 1400N(l)(3)(B) of such Code are each amended by striking ''subpart C'' and inserting ''subparts C and I''.

(B) Section 1397E(c)(2) of such Code is amended by striking ''subpart H'' and inserting ''subparts H and I''.

(C) Section 6401(b)(1) of such Code is amended by striking ''and H'' and inserting ''H, and I''.

(D) The heading of subpart H of part IV of subchapter A of chapter 1 of such Code is amended by striking ''**Certain Bonds**'' and inserting ''**Clean Renewable Energy Bonds**''.

(E) The table of subparts for part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to subpart H and inserting the following new items:

''SUBPART H—NONREFUNDABLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS

''SUBPART I—QUALIFIED TAX CREDIT BONDS''.

(d) CLERICAL AMENDMENT.—The table of parts for subchapter Y of chapter 1 of such Code is amended by adding at the end the following new item:

''PART III—MANUFACTURING REDEVELOPMENT BONDS''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) BOND PROVISIONS.—Sections 1400U–3 and 1400U–4 of the Internal Revenue Code of 1986 (as added by subsection (a)), and the amendments made by subsection (c), shall apply to obligations issued after the date of the enactment of this Act.

(3) WORK OPPORTUNITY TAX CREDIT.—The amendments made by subsection (b) shall apply to individuals who begin work for the employer after the date of the enactment of this Act.

SEC. 402. DELAY IN APPLICATION OF WORLDWIDE INTEREST ALLOCATION.

(a) IN GENERAL.—Paragraphs (5)(D) and (6) of section 864(f) of the Internal Revenue Code of 1986 are each amended by striking ''December 31, 2008'' and inserting ''December 31, 2011''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2008.

TITLE VI—WORKER ADJUSTMENT AND RETRAINING NOTIFICATION

SEC. 601. SHORT TITLE.

This title may be cited as the ''Early Warning and Health Care for Workers Affected by Globalization Act''.

SEC. 602. AMENDMENTS TO THE WARN ACT.

(a) DEFINITIONS.—

(1) EMPLOYER, PLANT CLOSING, AND MASS LAYOFF.—Paragraphs (1) through (3) of section 2(a) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101(a)(1)–(3)) are amended to read as follows:

''(1) the term 'employer' means any business enterprise that employs 100 or more employees;

''(2) the term 'plant closing' means the permanent or temporary shutdown of a single site of employment, or of one or more facilities or operating units within a single site of employment, which results in an employment loss at such site, during any 30-day period, for 50 or more employees;

''(3) the term 'mass layoff' means a reduction in force at a single site of employment which results in an employment loss at such site, during any 30-day period, for 50 or more employees.''.

(2) SECRETARY OF LABOR.—

(A) DEFINITION.—Paragraph (8) of such section is amended to read as follows:

''(8) the term 'Secretary' means the Secretary of Labor or a representative of the Secretary of Labor.''.

(B) REGULATIONS.—Section 8(a) of such Act (29 U.S.C. 2107(a)) is amended by striking ''of Labor''.

(3) CONFORMING AMENDMENTS.—

(A) NOTICE.—Section 3(d) of such Act (29 U.S.C. 2102(d)) is amended by striking out '', each of which is less than the minimum number of employees specified in section 2(a)(2) or (3) but which in the aggregate exceed that minimum number,'' and inserting ''which in the aggregate exceed the minimum number of employees specified in section 2(a)(2) or (3)''.

(B) DEFINITIONS.—Section 2(b)(1) of such Act (29 U.S.C. 2101(b)(1)) is amended by striking ''(other than a part-time employee)''.

(b) NOTICE.—

(1) NOTICE PERIOD.—

(A) IN GENERAL.—Section 3 of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102) is amended by striking ''60-day period'' and inserting ''90-day period'' each place it appears.

(B) CONFORMING AMENDMENT.—Section 5(a)(1) of such Act (29 U.S.C. 2104(a)(1)) is amended in the matter following subparagraph (B), by striking ''60 days'' and inserting ''90 days''.

(2) RECIPIENTS.—Section 3(a) of such Act (29 U.S.C. 2102(a)) is amended—

(A) in paragraph (1), by striking ''or, if there is no such representative at that time, to each affected employee; and'' and inserting ''and to each affected employee;''; and

(B) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following:

''(2) to the Secretary; and''.

(3) INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO WORKERS AND DOL NOTICE TO CONGRESS.—Section 3 of such Act (29 U.S.C. 2102) is further amended by adding at the end the following:

''(e) INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO EMPLOYEES.—Concurrent with or immediately after providing the notice required under subsection (a)(1), an employer shall provide affected employees with information regarding the benefits and services available to such employees, as described in the guide compiled by the Secretary under section 12.

''(f) DOL NOTICE TO CONGRESS.—As soon as practicable and not later than 15 days after receiving notification under subsection (a)(2), the Secretary of Labor shall notify the appropriate Senators and Members of the House of Representatives who represent the area or areas where the plant closing or mass layoff is to occur.''.

(c) ENFORCEMENT.—

(1) AMOUNT.—Section 5(a)(1) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2104(a)(1)) is amended—

(A) in subparagraph (A)—

(i) by striking ''back pay for each day of violation'' and inserting ''two days' pay multiplied by the number of calendar days short of 90 that the employer provided notice before such closing or layoff''

(ii) in clause (ii), by striking ''and'' at the end thereof;

(B) by redesignating subparagraph (B) as subparagraph (C);

(C) by inserting after subparagraph (A) the following:

''(B) interest on the amount described in subparagraph (A) calculated at the prevailing rate; and''; and

(D) by striking the matter following subparagraph (C) (as so redesignated).

(2) EXEMPTION.—Section 5(a)(4) of such Act (29 U.S.C. 2104(a)(4)) is amended by striking ''reduce the amount of the liability or penalty provided for in this section'' and inserting ''reduce the amount of the liability under subparagraph (C) of paragraph (1) and reduce the amount of the penalty provided for in paragraph (3)''.

(3) ADMINISTRATIVE COMPLAINT.—Section 5(a)(5) of such Act (29 U.S.C. 2104(a)(5)) is amended—

(A) by striking ''may sue'' and inserting ''may,'';

(B) by inserting after ''both,'' the following: ''(A) file a complaint with the Secretary alleging a violation of section 3, or (B) bring suit''; and

(C) by adding at the end thereof the following new sentence: ''A person seeking to enforce such liability may use one or both of the enforcement mechanisms described in subparagraphs (A) and (B).''.

(4) ACTION BY THE SECRETARY.—Section 5 of such Act (29 U.S.C. 2104) is amended—

(A) by redesignating subsection (b) as subsection (d); and

(B) by inserting after subsection (a) the following new subsections:

''(b) ACTION BY THE SECRETARY.—

''(1) ADMINISTRATIVE ACTION.—The Secretary shall receive, investigate, and attempt to resolve complaints of violations of section 3 by an employer in the same manner that the Secretary receives, investigates, and attempts to resolve complaints of violations of sections 6 and 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206 and 207).

''(2) SUBPOENA POWERS.—For the purposes of any investigation provided for in this section, the Secretary shall have the subpoena authority provided for under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

''(3) SUMS RECOVERED.—Any sums recovered by the Secretary on behalf of an employee under subparagraphs (A), (B), and (D) of section

5(a)(1) shall be held in a special deposit account and shall be paid, on order of the Secretary, directly to each employee affected. Any such sums not paid to an employee because of inability to do so within a period of 3 years, and any sums recovered by the Secretary under subparagraph (C) of section 5(a)(1), shall be credited as an offsetting collection to the appropriations account of the Secretary of Labor for expenses for the administration of this Act and shall remain available to the Secretary until expended.

''(c) LIMITATIONS.—

''(1) LIMITATIONS PERIOD.—An action may be brought under this section not later than 2 years after the date of the last event constituting the alleged violation for which the action is brought.

''(2) COMMENCEMENT.—In determining when an action is commenced under this section for the purposes of paragraph (1), it shall be considered to be commenced on the date on which the complaint is filed.''.

(d) POSTING OF NOTICES; PENALTIES.—Section 11 of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2101 note) is amended to read as follows:

''SEC. 11. POSTING OF NOTICES; PENALTIES.

''(a) POSTING OF NOTICES.—Each employer shall post and keep posted in conspicuous places upon its premises where notices to employees are customarily posted a notice to be prepared or approved by the Secretary setting forth excerpts from, or summaries of, the pertinent provisions of this chapter and information pertinent to the filing of a complaint.

''(b) PENALTIES.—A willful violation of this section shall be punishable by a fine of not more than $500 for each separate offense.''.

(e) NON-WAIVER OF RIGHTS AND REMEDIES; INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO EMPLOYEES.—Such Act is further amended by adding at the end the following:

''SEC. 12. RIGHTS AND REMEDIES NOT SUBJECT TO WAIVER.

''(a) IN GENERAL.—The rights and remedies provided under this Act (including the right to maintain a civil action) may not be waived, deferred, or lost pursuant to any agreement or settlement other than an agreement or settlement described in subsection (b).

''(b) AGREEMENT OR SETTLEMENT.—An agreement or settlement referred to in subsection (a) is an agreement or settlement negotiated by the Secretary, an attorney general of any State, or a private attorney on behalf of affected employees.

''SEC. 13. INFORMATION REGARDING BENEFITS AND SERVICES AVAILABLE TO WORKERS.

''The Secretary of Labor shall maintain a guide of benefits and services which may be available to affected employees, including unemployment compensation, trade adjustment assistance, COBRA benefits, and early access to training and other services, including counseling services, available under the Workforce Investment Act of 1998. Such guide shall be available on the Internet website of the Department of Labor and shall include a description of the benefits and services, the eligibility requirements, and the means of obtaining such benefits and services. Upon receiving notice from an employer under section 3(a)(2), the Secretary shall immediately transmit such guide to such employer.''.

(f) NOTICE EXCUSED WHERE CAUSED BY TERRORIST ATTACK.—Section 3(b)(2) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102(b)(2)) is amended by adding at the end the following new subparagraph:

''(C) No notice under this Act shall be required if the plant closing or mass layoff is due directly or indirectly to a terrorist attack on the United States.''.

SEC. 603. EFFECTIVE DATE.

Except as otherwise provided in this Act, the provisions of this Act, and the amendments made by this Act, shall take effect on the date of the enactment of this Act.

The SPEAKER pro tempore. Debate shall not exceed 1 hour, with 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor.

After 1 hour of debate on the bill, as amended, it shall be in order to consider the amendment in the nature of a substitute printed in part B of the report, if offered by the gentleman from Louisiana (Mr. MCCRERY) or his designee, which shall be in order without intervention of any point of order, shall be considered read, and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from New York (Mr. RANGEL) and the gentleman from Louisiana (Mr. MCCRERY) each will control 20 minutes, and the gentleman from California (Mr. GEORGE MILLER) and the gentleman from California (Mr. MCKEON) each will control 10 minutes.

The Chair recognizes the gentleman from New York.

□ 1215

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

Before I ask unanimous consent to yield the balance of my time to our distinguished subcommittee chairman for Trade, Mr. LEVIN, I first want to thank Mr. MCCRERY for helping to set the stage for at least the Ways and Means Committee to vote unanimously for the free trade agreement with Peru. This was a record vote, this was a historic vote, and we had every vote on the committee.

I raise that at this time not to curry favor with the Republicans to support this historic piece of legislation before us, but because I know from Mr. MCCRERY's input and contribution, he recognizes that trade no longer has to be seen as something that is negative to American workers.

Good trade agreements that create jobs should be allowed a vote and not be hurried so that Members are not impeded from the policy and really have an opportunity to study the substance. Without his cooperation and that of the United States Trade Representative and Secretary Treasurer, we would not even have the opportunity to look forward to the bipartisan victory we had in the committee and look forward to on the floor.

A part of that agreement, however, was he and I sharing that when people are without work, without jobs, without hope, when communities are adversely affected because of trade, that our government and our multinationals have a responsibility not just to their shareholders, but to do all that they can to ease the pain, to encourage investment, and to have a climate, whether it is globalization or technology, to know that trade is not always the villain.

And to the extent we are able to improve on many of the things that we have in this bill before us, we do hope that the Trade and Globalization Assistance Act will be just the beginning. That whether it is trade or not, we have a responsibility to the dignity of American workers and their children so that in this great country they can aspire to be working and to have the respect that all Americans would want in terms of being producers.

So to the extent that we had the cooperation of Mr. MCCRERY in creating the climate, and fully appreciating that we had input from Republicans on the Ways and Means Committee, even though we didn't ask for their votes and accept their amendments, it is this climate that makes our country so great, that makes this Congress so great, and makes me proud to be the Chair and a member of the Ways and Means Committee.

I rise today in strong support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

We come here today at a crossroads of sorts.

In recent years, trade policy has been a dividing force, used as a political tool to advance ideologies, rather than a shared sense of purpose that our trade agreements and programs could reflect the broader goals of the American worker.

The legislation before us today offers an opportunity to change that.

In the early months of this Congress, I joined with the Speaker and the House leadership to remind the Administration that the Constitution specifically designates Congress as the branch of government responsible for international commerce.

We agreed that we took that responsibility seriously and we would use our majority to improve American trade policy to better reflect the needs and concerns of our workers, not just our large, multi-national corporations.

The legislation before us today is the next step in developing a new trade policy that more adequately addresses the growing perception that trade is not working for American workers.

The Trade and Globalization Assistance Act of 2007 would expand training and benefits for workers while also helping to encourage investment in communities that have lost jobs to increased trade—particularly in our manufacturing sector.

The growing perception that prior American trade policy ignored the needs of workers here and abroad is a large contributing factor to the declining public support for trade.

For years we have had a program in place—trade adjustment assistance, or TAA—that was supposed to tackle some of the issues and problems workers face as it relates to trade.

Despite the best of intentions, this program did not meet expectations or promises and has failed to keep pace with globalization.

We are here to change that today with the Trade and Globalization Assistance Act of 2007.

The bill before us today is a comprehensive policy expanding opportunities for American

workers, industries, and communities to prepare for and overcome the challenges created by expanded trade.

First, the bill significantly expands existing TAA for Workers by: 1) covering service workers and additional manufacturing workers; 2) increasing TAA benefits; 3) making the TAA wage insurance program permanent; 4) improving the TAA health care benefit; and 5) increasing TAA program funding.

Second, the bill includes a package of tax incentives to encourage investment in distressed communities that have lost manufacturing jobs.

Third, recognizing that unemployment insurance (UI) is the gateway to TAA, the bill reforms the unemployment insurance system by creating incentives for States to cover part-time, low-wage, and other workers under State UI laws.

America's ability to compete and win in a global economy is too critical for our trade policy to continue being a partisan issue.

I noticed with great displeasure yesterday's veto threat from the Administration on this bill. To that statement, I would say that the bill before us today passed the Ways and Means Committee with Democratic and Republican support—and I expect it will receive the same from the full House.

The issues contained in this bill are central to the ongoing debate over the Administration's trade policy and if this Administration wishes to address the growing public concern over the direction of its trade policy, it will reconsider this veto threat.

Globalization is here to stay—and we must band together as Democrats and Republicans to shape its benefits for all Americans.

I look forward to today's discussion and I urge you to support H.R. 3920, the Trade and Globalization Assistance Act of 2007.

At this time I would like unanimous consent to yield the balance of my time to the gentleman from Michigan (Mr. LEVIN), the chairman of the Subcommittee on Trade, who has played such an important role in creating that climate and working with the staff and the members on the other side.

The SPEAKER pro tempore. Without objection, the gentleman from Michigan is recognized for the balance of the time.

There was no objection.

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

Mr. Speaker, I return the compliment to the chairman of the Ways and Means Committee for helping to create an atmosphere on our committee which has allowed us to make great progress in the area of trade, as evidenced by today's 39–0 vote in favor of advancing the Peru Free Trade Agreement.

The chairman and I have talked many times this year about the need to have a more viable assistance program or network of programs at the Federal level as well as in the private sector to assist workers in our country who lose their jobs through no fault of their own, who lose their jobs because of trade or because of globalization more generally. The chairman has been very good at listening to our suggestions from the minority and considering those.

Unfortunately, for whatever reason, the bill that is before the House today does not reflect any of our suggestions or proposals that we have shared with the majority; and that's unfortunate, although I have been assured by the chairman that as this bill works its way through the rest of the process, our ideas may yet receive consideration and perhaps inclusion. So I remain hopeful of that.

But the bill that is before us today does not contain those and it contains, I think, a number of weaknesses which compel me to not support the bill that is before the House today but instead to support a substitute which I will offer later in the debate.

In talking about the majority bill that's on the floor today as a threshold matter, and the chairman knows this because I have talked with him about it, I think we should be considering trade adjustment assistance, unemployment insurance, modification of those programs in the context of trade opportunities generally for United States workers, farmers and businesses. That is to say, I think we should be considering modifications to our assistance network in the context of the pending free trade agreements that are before the Congress and the expired trade promotion authority. Unfortunately, we are not doing that. We are considering TAA in isolation.

The alternative that I offer today would reauthorize trade adjustment assistance for 5 years. To help workers gain the skills needed to adapt to the changing global economy, our bill would restructure TAA from a predominantly income support program that offers training into a job retraining program that improves access to more flexible training and continues to provide income support, health care, and other benefits.

The contrasts between the substitute I will offer and H.R. 3920, the bill on the floor, are quite stark. For example, H.R. 3920 would pointlessly keep people in trade adjustment assistance longer. Our substitute would provide more flexible training options to get people back to work sooner, including by training before layoff and training part-time and giving people training scholarships to use over 4 years.

H.R. 3920 would increase TAA spending by billions of dollars, but would not require any further accountability on how program funds are spent. Our bill introduces some elements of accountability in that spending.

H.R. 3920 would greatly expand TAA and, I think, exacerbate the inefficiencies in the program today. Our bill would better integrate TAA and other Federal programs to make more services available to all workers.

H.R. 3920 would extend benefits to public sector workers and submit State and local officials to subpoenas and legal proceedings to comply. Our bill would maintain the focus of the program on private sector workers.

H.R. 3920 would greatly expand the health coverage tax credit, but then terminate that credit in 2 years. I don't know exactly why the majority chose to terminate this health care tax credit in 2 years. They have, in way of explanation, said that they think the current way the tax credit is structured may not be the best way to do it so they may use these 2 years to come up with another plan. That may be; but the fact is that the bill terminates the health care tax credit in 2 years. They also increase the credit from 65 percent to 85 percent which I believe is not warranted. Our substitute would increase the credit from 65 percent to 70 percent, and would continue that credit for the entire 5-year life of the bill.

There are other differences. One that we think is notable is the new markets tax credit that we would expand. We think that is a more efficient way to address communities that have been directly impacted by trade. The tax credit bonds in the majority bill we think are untested. They could be subject to abuse and uses that are not really related to impacts of trade.

I also want to express my clear opposition to how the majority pays for the $10 billion cost of their bill. First, they would delay interest allocation rules that this Congress enacted in 2004. We did that to address an unfairness for American companies that do business overseas. The effect of delaying the application of that change that we made would be to make United States companies less competitive.

Second, they would unnecessarily, in our view, increase Federal unemployment payroll taxes by extending the 0.2 percent FUTA surtax that is due to expire at the end of this year for another 3 years.

I regret that this bill does not reflect what I hoped to be our bipartisan approach to trade adjustment assistance or to our trade agenda beyond the Peru FTA, and I reluctantly will oppose it and support the substitute.

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

The SPEAKER pro tempore. The Chair would now recognize the 20 minutes allotted to the gentleman from California (Mr. GEORGE MILLER) and to the gentleman from California (Mr. MCKEON).

The Chair recognizes the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Thank you, Mr. Speaker. I yield myself 3 minutes.

Mr. Speaker, the typical income of American households has actually declined between 2002 and 2006 in inflation-adjusted terms. Last year, the number of Americans without health insurance actually increased by over 2 million.

For years now, Americans have had to deal with stagnating incomes and rising costs for basics like health care, food, energy and housing. For many reasons, Americans are deeply concerned about the future of their economy and their place in it. One cause of

their concern is the negative consequences they see from international trade.

Indeed, Americans find themselves increasingly caught in the crosshairs of the global economy. They have watched neighbors, friends and loved ones lose their jobs when plants close and move overseas. Americans have become even more skeptical about trade agreements, and for good reason. They have watched jobs move to China, and in return they get lead-poisoned toys.

Given these very real concerns, it is critical that we include in trade agreements strong and enforceable labor and environmental protections. And we must provide substantial assistance to workers who are negatively affected by this trade.

On the first part, I want to thank the committee for what they have done in terms of the trade agreements with these labor and environmental protections and I want to thank them for this legislation today.

This legislation we are considering addresses this very important point of what happens to those workers who have the negative consequences of international trade. This legislation helps ensure that displaced workers can help make ends meet while they find a new job, or in the case of older workers, until they reach retirement age.

The bill requires a layoff or plant closing notification if 50 or more employees, including part-time employees, at a single job site are laid off in a 30-day period. It eliminates a loophole that has allowed employers to avoid giving notices by shifting employees around job sites.

The bill increases notice to employees of a plant closing or mass layoff from 60 to 90 days, and that is very important.

And it also says that TAA-eligible employees can extend their COBRA coverage for as long as they remain TAA-eligible, up to 2½ years. And TAA-eligible employees who are 55 years or older and who have worked for an employer for more than 10 years can extend their COBRA coverage until they are eligible for Medicare at age 65, or covered by another health care plan. The coverage is available to workers today, but only up to 18 months. The bill extends that provision.

This is the most important provision for those workers who lose their income and lose their job, trying to hold their families together, and also see the loss of their health care. COBRA is of no cost to the government. The employee must pay the employer share, the employee share, and the 2 percent administrative cost. Over 40 million Americans have used COBRA coverage. But in any given year, only 2 to 3 million Americans are on the program, and close to 200,000 people are losing that coverage every month. This is an important benefit to these workers and certainly to people who have preexisting conditions and know they will not be able to go in and find insurance that they can afford or that is even available to them.

It is important that we make certain that these older workers are able to bridge the time until they reach Medicare eligibility so they will have continuity of health care.

This is good legislation. I hope my colleagues on the floor will support this legislation.

□ 1230

Mr. MCKEON. Mr. Speaker, I yield myself such time as I may consume in opposition to this bill.

The legislation before us is supposed to be about reforming the Trade Adjustment Assistance program. As flawed as the underlying TAA provisions are, their weaknesses are amplified by the inclusion of separate, largely unrelated legislation that moved through the Education and Labor Committee.

That bill, which has been folded into the larger TAA package, modifies the WARN Act and COBRA, two statutes that were not even designed to help workers impacted by globalization get the tools and training they needed to get back to work.

We've heard time and again that in order to effectively respond to competitive challenges we need to bolster our education and training systems to better prepare current and future workers for success.

Unfortunately, the provisions inserted into the broader TAA bill take a different approach. Instead of offering proactive solutions that will allow American workers to compete and thrive, these policies do nothing more than layer on additional Federal red tape for employers while offering only incremental provisions for workers that would do nothing to help them adjust to the changing workplace.

The proposal for a massive expansion of the WARN Act would be incredibly burdensome for employers struggling to keep pace with a changing economy. The limitations of this proposal do not match the real-world scenarios in which employers may be shifting their workforce to meet changing needs.

The bill mandates a full 90 days' notice before a plant closure or other mass layoff, requiring employers to remain stagnant for a full fiscal quarter before adjusting their workforce. This, despite the fact that in order to keep and create jobs here at home, employers need a workforce that is flexible and adaptable. Layered on top of that unworkable time frame is a requirement that double damages be paid by any employer unable to comply. This would create a system that is more focused on punishing employers than truly helping workers who lose their jobs.

Similarly, the selective expansion of COBRA availability seems to focus more on compliance and red tape than on offering genuine solutions to workers who need assistance and retraining as a result of globalization. It creates an unfair system in which not all workers who lose their jobs would have access to the same health care options. The bill uses TAA eligibility as a trigger for expanded COBRA coverage but extends the coverage almost indefinitely. This is inconsistent with existing COBRA eligibility and inconsistent with other TAA benefits.

The Education and Labor Committee convened a hearing in March to examine the impact of international trade on American workers. The challenges we considered during that hearing are the same challenges we appear to be attempting to address today. Yet during that hearing, not a single witness suggested or endorsed these bloated, bureaucratic WARN Act and COBRA proposals.

We all know that American companies must be flexible and dynamic in order to keep pace with their competition overseas. These proposals would put American companies at a distinct disadvantage, preventing them from maintaining an agile workforce and undermining efforts to preserve American jobs or create new ones because of the burden and cost of compliance with these new mandates.

If we're serious about assisting dislocated workers and keeping America competitive, the Education and Labor Committee has a crucial role to play. We should be renewing our one-stop job training system authorized under the Workforce Investment Act. Unfortunately, Democrats have stalled our efforts to strengthen and improve job training, failing to even introduce a bill to extend and enhance WIA.

Republicans are committed to keeping America competitive in the global economy. Later today, I will join with Representative MCCRERY, the senior Republican on the Ways and Means Committee, to offer a comprehensive approach to assist Americans adversely affected by trade.

The increased employer burdens proposed through an expansion of the WARN Act and COBRA are nothing more than a distraction from the real debate we ought to be having. I oppose these costly, arduous provisions because they move in exactly the wrong direction. Instead of fostering competitiveness and job creation, they will breed litigation and stagnation.

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

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, if the President is going to negotiate trade agreements based on the failed NAFTA model, this legislation is the very least that we can do for our workers who lose their jobs because of international trade and globalization.

Mr. Speaker, America faces record high trade deficits and plant closings, and it's our laid-off workers who are the casualties. Strengthening trade adjustment assistance, TAA, isn't the

magic pill. It is not the cure-all. It can only be a help by fixing the flawed trade policy. We will do what our workers need, but we owe displaced workers in the meantime, and we owe their communities around the country the chance they need to regain their economic footing with job training, with health care, and they need to know that it's available to them and how to take advantage of these programs.

Mr. Speaker, while the bill will not prevent millions of workers from losing their jobs, it will give them the tools they need and the tools they deserve until they are once again able to compete in the global workforce.

Mr. MCKEON. Mr. Speaker, I yield now to the Subcommittee on Health, Employment, Labor and Pensions ranking member, with jurisdiction over COBRA, the gentleman from Minnesota (Mr. KLINE) for such time as he may consume.

Mr. KLINE of Minnesota. Mr. Speaker, I thank the gentleman for yielding.

I rise in opposition to this legislation, Mr. Speaker. I have been and continue to be a major proponent of trade, but this Trade Adjustment Assistance program that we have today has, seems to me, gone astray. There are a number of reasons why I would urge my colleagues to oppose this bill, from the massive expansion of what was intended to be a targeted Trade Adjustment Assistance program to the dramatic increase in litigation and liability employers will face under the WARN Act provisions contained in this bill.

The gentleman from California mentioned COBRA eligibility in his remarks. I'd like to talk about that for just a minute.

Under the law as it stands today, when a worker loses his or her job, he or she is generally able to elect to continue health care coverage under COBRA for 18, or sometimes as long as 36, months. This balances the legitimate need of the workers to obtain gap or bridge health insurance coverage, while recognizing the administrative needs of employers and, in particular, the need for employers who voluntarily offer health benefits to manage costs and risk.

The bill before us dramatically expands COBRA benefits for certain classes of workers potentially at the expense of others. Under the Rangel substitute, a worker who loses his or her job ''because of trade'' is afforded significantly more COBRA rights than an employee who simply loses his or her job because, for example, his employer closes shop. Indeed, for some of these workers, expansion of COBRA rights can last for decades, plainly not what was intended under the original law.

The bill also includes provisions extending COBRA benefits for PBGC beneficiaries without any regard to the issue of trade. Individuals pay for COBRA, but because of the nature of how this was put together, the provisions are paid for through an increase in the taxpayer-funded health care tax credit, at least through the period of TAA eligibility, again, extending and complicating it in a way that was never intended in the original law.

Just a couple of more things that come under the WARN provision of this. This bill expands the WARN Act coverage to apply to businesses which employ 100 or more employees, including part-time workers. It expands the definitions of plant closures and mass layoffs. It increases the notice requirements so that employers must provide 90 days' notice of an intended plant closure or mass layoff. It expands damages for lost wages and benefits to include double wages, benefits and interest for up to 90 calendar days. It includes new requirements that employers post notice of WARN Act requirements and information on how to file a complaint and provide notice of benefits and services available to employees. It expands enforcement to allow the Secretary of Labor to investigate alleged violations.

Some of these are probably very worthwhile, but clearly, a tremendous expansion and opportunity for almost unlimited litigation, placing a very large burden on employers, and I don't think we want to do that at a time when we're trying to preserve jobs for our employees.

So I oppose this legislation. It reaches too far. It is too complicated. It opens up employers to too much litigation. We can do better than this.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield for the purpose of a unanimous consent request to the gentlewoman from New York (Mrs. MALONEY).

(Mrs. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Speaker, I thank the gentleman for yielding and I rise in support of this important legislation.

Mr. Speaker, I rise in support of H.R. 3920, the Trade Globalization Assistance Trade Act of 2007.

This legislation would overhaul the current Trade Adjustment Assistance, TAA, program to better meet the needs of American workers and communities affected by globalization.

This legislation passed the Ways and Means Committee by the strong bipartisan vote of 26–14 and I hope that we are able to provide a similar bipartisan vote again here today.

After years of trade policies that all too often diminished the importance of our workforce, today's legislation will rightfully support the working men and women in our country.

Specifically, H.R. 3920 would expand Trade Adjustment Assistance coverage to more workers, including service workers, and substantially improve the program's training opportunities and associated health care benefits.

The bill also creates new benefits and tax incentives for industries and communities that have been hit hard by trade.

Finally, the legislation would promote long-needed reforms to the unemployment insurance system, recognizing that all unemployed workers, not just those who lose their jobs because of trade, deserve our support in getting back on their feet.

I congratulate Chairman RANGEL for bringing forth this important legislation and I urge all of my colleagues to support this important legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Mr. Speaker, I thank my friend for yielding.

So, Mr. Speaker, you're 6 months away from your 58th birthday, and the place where you have worked for 25 years closes and you have no health insurance. So you dip into your savings and you figure out a way to keep yourself in the plan that you were in by paying for it largely with your own money.

Under present law, when you hit your 59th birthday, if you don't have another job with health insurance, you're out, and you have got 6 years to go until you qualify for Medicare. We are changing that in this bill.

Here's what this bill says. That person I just described, if they can figure out a way to stretch their savings and stretch their dollars until they're 65 years old, can enroll in Medicare and never have a gap where their family is left unprotected, with their own money by and large.

Now, the credits that are generously extended here, we wish we could do more, but this is a program that makes common sense for the person who is too young to retire and too old to start all over again. It's the person who's working with a good job and health care and good benefits, who's now working part-time at a retail store because that's the best he or she can do. What is wrong with that?

This is an opportunity for the Members of this Congress to stand up for forgotten Americans who built this country, raised their families and paid their taxes. This should not be a Republican and Democratic issue.

I urge everyone to vote ''yes'' on this very well-thought-out bill.

Mr. MCKEON. May I inquire of the Speaker what time is left.

The SPEAKER pro tempore. The gentleman from California (Mr. MCKEON) has 2 minutes remaining, and the gentleman from California (Mr. GEORGE MILLER) has 3½ minutes remaining.

Mr. MCKEON. Do you have more speakers?

Mr. GEORGE MILLER of California. Yes.

Mr. MCKEON. Mr. Speaker, I reserve.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. HARE), a member of the committee.

Mr. HARE. Mr. Speaker, I rise today in strong support of H.R. 3920.

In 2004, Maytag Refrigeration Products in Galesburg, Illinois, closed its

doors and bolted for Sonora, Mexico, displacing 1,600 workers, all innocent victims of a bad trade policy. I asked my good friend Dave Bevard, a former Maytag employee, to testify before the House Education and Labor Committee about his participation in the TAA program. Dave's testimony revealed a program that was difficult to navigate and plugged with funding shortfalls.

Mr. Speaker, the bill before us today addresses these funding problems and gives trade-impacted workers the resources and tools necessary to successfully compete in the global economy. It provides workers with sufficient notice of mass layoffs, improves the processes by which workers obtain training, and strengthens access to affordable health care.

I'm pleased to see the inclusion of two of my provisions in the bill: one that would require the Department of Labor to inform workers about the availability of counseling and early access to training services, and another to help displaced workers get additional financing aid for training. I'd like to thank Ways and Means Chairman RANGEL and Congressman LEVIN, and my chairman, Mr. MILLER, for their leadership on this issue and for the help their staff provided to include these provisions that will greatly assist dislocated workers.

Mr. Speaker, the current TAA program has not kept pace with globalization, and the bill before us aims to bring the TAA program into the 21st century. I urge my colleagues to vote ''yes'' on this critical legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio (Ms. KAPTUR).

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Ms. KAPTUR. I thank the gentleman, and thank the esteemed chairman, for bringing this bill forward.

Mr. Speaker, the real answer to growing job loss in the United States, the declining value of our dollar and to rising trade deficits is to balance America's trade accounts by renegotiating failed deals like NAFTA and China PNTR, by not passing any more of them, by opening closed markets like Japan's and China's, and Korea's and by stopping unfair trade practices globally.

Meanwhile, our workers continue to take the big hits by losing their jobs and benefits. What this bill does is it gives them increased notice when their plants are going to close, and it also provides a landing pad in the form of training and trade adjustment assistance. I just wish that the jobs they are being trained for would be produced. We know that often is not the case.

This is the absolute least we can do for the people of our country. They have paid the price of our failure here in Washington to produce economic policies that make America's economy robust.

I fear, without our doing that, we are going to lose the industrial and defense prowess that made the United States the leader post-World War II. I just thank the committee for providing this bill which will help the casualties reposition a bit.

The real answer to growing U.S. job loss, the declining value of the dollar, and rising budget and trade deficits is to balance America's trade accounts by renegotiating failed deals like NAFTA and China PNTR and not pass more of them, by opening closed markets like Japan's, China's, and Korea's, and stopping unfair trade practices globally.

Meanwhile, our workers continue to take the big hits—they lose their jobs, they lose their benefits.

This bill gives them some help—by giving them increased notice before their plants are closed, and it revamps trade assistance and training to help them reposition if the jobs exist in the future.

We owe it to our workers and communities to give them a better chance to adjust. They are the casualties of economic policy here in Washington that is not working. This legislation will require employers to provide 90 days of notice in the event of a proposed plant closing or layoff.

Trigger the notification requirements if at least 25 workers lose their jobs during any 30-day period, not 50 workers as in current legislation;

Mandate notice if 100 or more workers are laid off at multiple plants or worksites during any 30-day period;

Cover both full-time and part-time hourly and salaried workers;

Require the Department of Labor to provide model educational information to employers on employer responsibilities and employee rights under WARN, as well as benefits and services available to dislocated workers;

Authorize the Department of Labor to investigate complaints and bring enforcement suits and also to notify Members of Congress who represent the affected areas;

Permit employees to recover back pay and benefits up to 90 days and also liquidated damages (doubling the compensation otherwise available) if an employer fails to give the required notice under the act; and,

Important to note is the legislation's extension of the period for COBRA (comprehensive benefits, including health care) coverage for recipients of trade adjustment assistance. Under current COBRA rules, workers who lose their jobs generally may continue their health benefits for up to 18 months at their own expense. The new legislation would give workers who are 55 years or older and have worked for an employer for 10 or more years the option to elect COBRA coverage until they become Medicare eligible at 65 or until they obtain health coverage through a subsequent employer.

While I support this bill, we must keep in mind that TAA and WARN aren't substitutes for jobs in manufacturing America. An America that does not produce not only loses the most vibrant wealth-producing sector of her economy but her defense and industrial base as well.

TAA and WARN should be used sparingly and for the short term—they are band-aids, not solutions. We need to pass legislation requiring the executive branch to balance our trade accounts, to renegotiate NAFTA/PNTR, and to open closed markets of the world.

It is no secret that we are voting on TAA today, to increase votes for the Peru Free Trade Agreement next week. Our willingness to sell out our Nation's workforce for the consolation prize of trade adjustment assistance promises to damage our country for decades to come.

I have two bills—H. Res. 336 and H.R. 169, the Balancing Trade Act, which will get our country back on the right track. By supporting H. Res. 336, we support fair, people-centered principles that promote free trade only among free peoples. The Balancing Trade Act, which already enjoys bipartisan support, demands that the President acknowledge a problem in our trade policy when our deficit with any one country exceeds $10 billion for more than 3 years. I also have a bill (H.R. 1958) to revoke PNTR from China, and I will be introducing a bill to require the President to renegotiate NAFTA. These bills are steps towards correcting our U.S. trade policy to prevent the kinds of layoffs and job loss that these bills merely ice over.

[From the Toledo Blade, July 16, 2007]

TIFFIN WORKERS DISCOVER LIMITS OF WARN ACT

(By Steve Eder and James Drew)

TIFFIN.—Four days after Christmas in 2001, Gene Goshe braved the brisk cold as he walked to his newspaper box and unrolled his copy of the Tiffin Advertiser-Tribune.

''National shutting down,'' blared the headline in tall letters across the front page.

In seconds, Mr. Goshe's life changed forever.

After devoting 33 years of his life to the National Machinery Co., Mr. Goshe read in the newspaper that morning that the plant had abruptly closed. He didn't get a phone call to let him know he no longer had a job.

''It was like a snowball hit you in the hind end on the first of January,'' recalled Mr. Goshe, then 58. ''This is the way we are going to start the year.''

The sudden demise of National Machinery stunned Tiffin, a town of 17,000 about 55 miles southeast of Toledo already reeling from plant closings and layoffs.

The plant, a few blocks from the small downtown, made the machines that made nuts and bolts since the 1880s. But while the products of its machines embodied the ordinary, the storied history of National Machinery was far from typical.

''The National''—as locals affectionately called it—provided a choice working environment for generations in and around Seneca County, a flat, fertile part of northwest Ohio dotted with fields and woodlots.

The company's reputation as an exceptional employer was rooted in its traditions—a club for employees who had worked there at least 25 years, summer picnics at Cedar Point, and Christmas parties at the fancy Ritz Theatre.

National Machinery was like family, workers recalled. Not surprisingly, it was begun by Tiffin's first families—the Frosts and Kalnows, whose ownership dates to the 1880s, when patriarch Meshech Frost convinced the company's original owner to move its operations to Tiffin.

The Frosts, and later the Kalnows, are recognized as Tiffin's leading community boosters, using some of their vast fortune to support local causes and institutions, including the city's Heidelberg College, where the families set up scholarship programs to benefit the children of National Machinery employees.

A FRACTURED BOND

The bond between the privately held company and its workers changed forever on Dec. 28, 2001—the date National shut down.

For most of the 549 National Machinery Co. employees, there was no notice the place where many of them had dedicated their working lives was closing.

Paul Aley, National Machinery's president, explained to workers in a letter dated the day the plant closed that banks cut off the company's money because of its financial troubles. Most employees didn't receive Mr. Aley's letter until they had already read about National's demise in the newspaper or heard about it from friends or co-workers.

In 1988, Congress passed a law requiring business owners to give 60-days notice before a plant closing or mass layoff. If National Machinery Co. had followed the Worker Adjustment and Retraining Notification Act, known as the WARN Act, its employees could have begun looking for new work and putting their finances in order instead of dealing with the shock of suddenly losing their jobs.

There were concerns about the well-being of National Machinery Co. leading up to its closure. Citing financial problems, the company announced some layoffs earlier in 2001 and gave most of its workers the holidays off without pay. But the veteran workers expected business would pick back up as it had many times over the years.

This time wasn't like the others.

HOPING FOR BETTER TIMES

In the weeks and months after National Machinery's shutdown, employees looked to their faith for strength.

Twice a week, employees such as Mr. Goshe, a Vietnam veteran and father of four, would gather outside the plant at noon and form a prayer circle with 50 to 75 people. In the cold January and February air, they would pray for each other and for the future of National Machinery Co.

''Everybody would go around and if anybody had something to say, they'd say it, or they would say a prayer,'' Mr. Goshe said. ''If anybody had anything they wanted to get off their chest, they could get it off their chest.''

The workers took pride in their roles in National Machinery's history and held out hope for a return to better times.

''National Machinery had the knowledge in town that they were the best employer in Seneca County,'' said Mark Griffin, a 38-year employee. ''We had some other big employers in Seneca County, but that was the best place to work.

''They took care of their people, they had a fair wage, you worked your overtime, had a great retirement, and they took care of you,'' Mr. Griffin said.

From its Quarter Century Club, which honored employees of 25 years, to its picnics, baseball leagues, and community service, National Machinery was steeped in tradition.

Its owners, the Frosts and Kalnows, who for decades referred to their employees as ''Our people,'' instilled an unapologetic sense of family in and outside the plant.

They provided quality employment, fair wages, and steady jobs, and in return they expected their workers to live up to National Machinery standards to protect the image of the company. Employees in the 1970s and '80s were expected to be clean-cut and trouble-free. They were forbidden from cashing their checks at local watering holes.

Mr. Griffin said National Machinery employees had enough pride in their work to cash their checks at a bank, not at a bar.

In return, Mr. Griffin said, ''If you got into trouble or were a little short, they would always bring the money up ahead of you. They would pick you up and you could pay 'em back later. It was like a family thing.''

A TIFFIN INSTITUTION

National Machinery began four generations of ownership by the Frost and then Kalnow families soon after Meshech Frost convinced Bill Anderson to move the company to Tiffin in 1882.

In Tiffin, there is much folklore about National Machinery and its family ownership.

One tale is that Mr. Frost went to New York City to get a loan from financier ''Diamond'' Jim Brady to help purchase the company.

After his death in 1922, Mr. Frost left the company to his son, Earl Frost, who ran it into the 1950s. Earl Frost's daughter, Jane Frost, who was the heiress to the family fortune, married Carl Kalnow, a banker, and together they owned National Machinery Co.

National Machinery employees still fondly recall the story behind the Frost-Kalnow engagement.

''From what I know, Mr. Kalnow came to town and he got off the train and asked who the richest man in town was and if he had a daughter,'' Mr. Griffin said. ''It was Miss Frost and he ended up marrying her.''

The Kalnows had four children—Carl, Andrew, Gertrude, and Loretta—who inherited National Machinery after their mother's death in 1986.

In 1998, the Kalnow siblings—who were raised in Tiffin but had moved away—sold the company for $98 million to Citicorp Venture Capital, a New York-based firm that buys and sells companies as investments.

Within three years, National Machinery rapidly declined from a thriving company to an abruptly shuttered one.

A DIFFERENT COMPANY

After National Machinery closed, the Kalnow siblings—who had kept a seat on the company's board of directors and a 15 percent stake in the business as part of the sale—became the workers' best hope for rescuing the company.

In the weeks after the company closed its doors, the Kalnows, led by Andrew Kalnow, founder of Chicago-based Alpha Capital Partners, a private equity investment firm, began negotiating to buy National Machinery's debt from a consortium of banks holding tens of millions of dollars in notes—the debt taken on to buy the company from him and his family.

In February, 2002, the Kalnows repurchased National Machinery for $16 million, just a fraction of what they had sold it for just three years earlier.

In Tiffin, many employees believed their prayers were answered.

But they soon learned that National Machinery, under its new ownership, would be a far different company than the one they had devoted 20, 30, or even 40 years of their lives.

In a complex business transaction, the Kalnows established National Machinery LLC, or limited liability company, which they used to essentially purchase the property and assets of the former National Machinery Co.

The sale was completed in such a way that the new company would inherit the old company's headquarters in Tiffin, its factory, its machinery, and its customers. But it would have no responsibility to pay the debts of the old company. Those debts included millions of dollars owed to suppliers and $1.5 million more owed to area doctors and health-care facilities for medical services provided to former employees before the plant closed.

Officials of the new company eventually agreed to pay an undisclosed amount toward the $1.5 million in medical bills owed by former plant workers. But the new company said it had no legal obligation to the employees of the ''old company,'' who were left behind when the plant closed in December, 2001.

A spokesman for National Machinery LLC last week said WARN Act issues were handled by the former plant owner and their lawyers.

''Like many other companies today facing the challenge of being successful in a highly competitive world market, National Machinery LLC is leaner and less vertically integrated,'' said John Bolte, senior vice president of operations and human resources. ''Many processes and therefore jobs from the past simply do not exist in our company in order to make us more competitive.''

Attempts by The Blade to interview Andrew Kalnow and his siblings were unsuccessful.

In an e-mail from Mr. Kalnow last month, he told The Blade: ''It seems like you have a politics agenda in mind that has nothing to do with our business and contribution to the community.''

A SENSE OF BETRAYAL

The Kalnows' ''new company''—National Machinery LLC—in the spring of 2002 hired nearly 240 full-time employees after it reopened the plant, many of whom worked for the ''old company.''

But many of National Machinery Co.'s 549 employees, including some of its longest-tenured workers, such as Joe Poignon, never received the call to come back.

''They started it back up, but they excluded us,'' said Mr. Poignon, a 40-year employee who worked in the company's aftermarket section. ''There was people who weren't retired out there who had more than 25 years of service and they were not called back.''

Some grew bitter, angry, and depressed as they waited and waited for the call from National Machinery that never came.

''It's the way they treated us,'' said Mr. Poignon, who tries to avoid Greenfield Street in Tiffin, where National Machinery is located. ''Not calling us in to inform us of anything, and not being up front and square with us, and being ostracized after they reopened the plant. None of us deserve that. After we have given our lives to it, our good working years are gone. We can't go out and restart. We gave them all our good working years.''

He added, ''You feel like you've been betrayed.''

DEPRESSION AND ANGER

Several former National Machinery employees fell into depression as they tried to live without the work they had been doing for most of their lives.

Others were angry.

Paul Martorana, a 27-year employee of National Machinery, returned to the company's offices to settle his pension after the new company had taken over. But before he left, he had a request of Anne Martin, the company's secretary.

''Would you do me one favor?'' Mr. Martorana recalled asking. ''Take my picture off the wall. I don't want anyone to know I was ever associated with this company.''

Mr. Martorana wanted his picture taken off the walls of National Machinery Co.'s Quarter Century Club. The club, which had more than 735 members since it was established in 1936, honored the company's most loyal employees.

Many members of that devoted club were among those who were unexpectedly thrown from their jobs, instantly losing health-care coverage, paychecks, accrued vacation time, and the stability of employment.

''A lot of people got hurt, financially and mentally,'' Mr. Martorana said.

''We didn't know what to do,'' Mr. Poignon said. ''There were people who were scheduled for surgery. They didn't know what to do. They didn't have insurance. Some of them had cancer.''

PICKING UP THE PIECES

It was difficult, if not impossible, for some former employees to find reliable work after decades with National Machinery. The employees had no time to plan, find new jobs, or train for new careers.

Out of necessity, some took whatever they could find, accepting steep pay cuts and losing benefits.

''It's basically turned our lives upside down,'' said Sharon Goshe, who has been married to Gene Goshe for 34 years.

Mr. Goshe said he held out hope for about three months after the plant closed, hoping that he would get a call to return to work. The call never came.

''Once they opened back up and [I'd] seen the ones they were hiring back, I was too old,'' Mr. Goshe said.

He began applying for nearly ''any job that was in the paper,'' but he didn't have any success and began to suffer from depression.

''The unemployment was running out, and we got the same old stories,'' he said. ''You go out and you look for a job and you get your hopes up, and you hear nothing.''

Ten months after National closed, Mr. Goshe took a job for $10 an hour with no benefits at a local lumber yard, a $4 an hour wage cut.

Many employees of National Machinery skipped their paid vacations over the years, believing they had accrued months of paid time off that could be used in the future. When the old company shuttered, employees were not reimbursed for the time.

The workers said they were also owed thousands of dollars in lost wages and unpaid medical bills. But when they went to the plant office and tried to collect from National Machinery LLC, they heard a familiar refrain: ''Sue the old company.''

But the ''old company'' no longer existed.

TAKING LEGAL ACTION

On Sept. 11, 2002, three former workers of National Machinery Co.—Chad and Donald Baker and Paul Martorana—filed a class-action lawsuit in federal court in Toledo on behalf of all the workers who lost their jobs.

They sued National Machinery Co., Citicorp Venture Capital, and two related entities claiming the WARN Act was violated when the plant closed without a 60-day notice. They asked for lost wages, vacation pay, and medical expenses they said they were owed, totaling at least $4,000 per worker.

They received a quick education into the limitations and loopholes of the federal law.

But the biggest obstacle they faced was the wall of legal agreements, contracts, and documents set up by a squad of lawyers to make sure that National Machinery LLC was not responsible for the debts and actions of National Machinery Co.

Attorneys for Citicorp Venture Capital argued that their client wasn't the liable employer under the law because even though Citicorp was the majority owner of the ''old company,'' it didn't make business decisions on behalf of National Machinery.

Because the ''old company'' was now a mere shell, its former employees fell into one of the most prominent pitfalls of the WARN Act—finding someone who could pay the workers what they were owed.

Nearly three years after the company closed, attorneys for the employees and Citicorp Venture Capital agreed to a settlement that would pay $375 per worker before taxes—just pennies on the dollar of what most employees felt they were owed. National Machinery LLC, as a completely new entity, had no obligation to the workers and was not involved in the settlement.

AN ''INSULT''

Calling the settlement an ''insult'' and frustrated with the law, 74 former National Machinery employees wrote the judge to object to the settlement.

''There were a lot of very good employees that were completely devastated when all this happened and some satisfaction needs to be given to all of us,'' Virginia Coffman wrote. Mrs. Coffman, along with her husband, John Coffman, worked for National Machinery Co. for more than 28 years. ''This type of treatment cannot be allowed to go unnoticed and just slide by, it has hurt many responsible people who are still trying to recover.''

In a handwritten note, Steven Webster, a former National Machinery employee from Upper Sandusky, Ohio, explained that the company's sudden closing triggered a financial tailspin that caused him to fall behind on child-support payments. Mr. Webster explained that he needed to withdraw from his 401K plan twice to keep banks from foreclosing on his home.

''For the six months I was without a job. I had my water, electric, and gas shut off and had to live with my mother for a while until I got a job because I couldn't afford food or anything,'' Mr. Webster wrote.

Many of the workers sent copies of their letters to their representatives in Congress and the Statehouse, including U.S. Rep. Paul Gillmor (R., Tiffin), U.S. Sens. George Voinovich and Mike DeWine, then-Gov. Bob Taft, and state Rep. Jeff Wagner (R., Sycamore).

None of them was willing to fight for their constituents, at least on the WARN Act.

On Nov. 15, 2004. a group of former National Machinery Co. employees went to federal court in Toledo to object in person to the proposed settlement.

On their day in court, U.S. District Judge James Carr empathized with the plight of the workers, inviting them to sit in the jury box and address the court. But the judge all but told the workers that his judicial powers were limited by a law with no teeth.

In the end, Judge Carr reluctantly approved the settlement, declaring it a ''pittance'' and telling angry workers it was the best settlement they could hope for under the weak federal law.

''Most simply put, and most unhappily, you're out of luck,'' Judge Carr told the workers. ''That statute has proven to be no protection to you.''

LINGERING BITTERNESS

In Tiffin, more than five years after the ''old company'' suddenly was closed on a cold December day, time has healed some of the wounds. But there still remains an undercurrent of regret and bitterness.

Today there's a sign outside the headquarters of National Machinery LLC that proudly proclaims it as a 130-year-old company.

The former employees never called back by the ''new company'' say the sign epitomizes the hypocrisy of what transpired at National Machinery.

''What I've heard is they think they've done great—'they've saved the company,''' Mr. Poignon said. ''You don't want to think that the place you've worked your entire life has done something terrible. They didn't fulfill their promises to a lot of people who gave their whole lives to the company.''

The laid-off workers have struggled to come to terms with the fact that National Machinery LLC—which conducts its business from the old headquarters of National Machinery Co. in Tiffin, builds the same machines, and serves the same set of clients—wasn't legally required to pay their lost wages and benefits.

Some recognize that Andrew Kalnow may have saved National Machinery, but they question why the rescue couldn't have been performed more humanely, taking into account the loyalty of many of the company's longtime employees.

They believe Meshech Frost and Jane Frost Kalnow would be disappointed.

''It's all about putting money in your pocket,'' Mr. Poignon said. ''Maybe morality has changed. Maybe young people think this is OK. But in our day, this wasn't a moral thing to do. If you look at the business side of it, it looks pretty good.

''But if you look at the human side of it, there's been a lot of damage.''

[From the Toledo Blade, Oct. 11, 2007]

HOUSE CHAIRMAN OFFERS A TOUGHER WARN ACT

(By Steve Eder)

The powerful chairman of the House Education and Labor Committee yesterday submitted his proposal to better assure workers are given notice before they lose their jobs in mass layoffs or business shutdowns.

U.S. Rep. George Miller (D., Calif.) became the second member of the U.S. House to introduce legislation to reform the Worker Adjustment and Retraining Notification Act, known as the WARN Act, a 19-year-old federal law that requires many employers to provide 60 days' notice before layoffs.

Mr. Miller's bill was co-sponsored by U.S. Rep. Marcy Kaptur (D., Toledo).

''These are really extraordinary improvements over existing legislation,'' Miss Kaptur said during an interview yesterday. ''There are more teeth in this [bill] to treat the workers with more respect.''

After a Blade investigation in July highlighted the WARN Act and its shortcomings, a host of key politicians in Washington have addressed the need to reform the law. Among those who have responded are Democratic U.S. Sens. Sherrod Brown of Ohio, Hillary Clinton of New York, Edward Kennedy of Massachusetts, John Kerry of Massachusetts, Barack Obama of Illinois, former Sen. John Edwards of North Carolina, and U.S. Rep. John McHugh, a Republican from New York.

The Blade's four-part investigation showed that the WARN Act is so full of loopholes and flaws that employers repeatedly skirt it with little or no penalty.

The series showed that in crafting the WARN Act, Congress didn't charge the Department of Labor with enforcing the law. Instead, displaced workers must take their former employers to court to uphold their rights under the law.

An analysis of 226 WARN Act lawsuits filed by employees showed that judges threw out more than half, citing loopholes in the law.

''Everyone on the [House Education and Labor] committee is familiar with the Blade's excellent work on this.'' Miss Kaptur said yesterday. ''The Blade has really done the country a favor in helping to highlight the importance of this legislation and to draw national attention to it.''

Mr. Miller's bill—called The Early Warning and Health Care for Workers Affected by Globalization Act—would overhaul the existing WARN Act by increasing the notice period from 60 to 90 days, making the law apply to more employers, increasing financial penalties for violators, and empowering the Department of Labor to bring lawsuits on behalf of employees.

In addition, it covers part-time employees and groups of 100 or more workers laid off by one employer at multiple job sites.

The legislation also extends COBRA health coverage for recipients of trade adjustment assistance, allowing workers who are 55 or older or employees with more than 10 years of service to an employer to use COBRA coverage until they are eligible for Medicare.

Miss Kaptur said Mr. Miller's new proposal has support from the ''highest levels'' of

Congress, including House Speaker Nancy Pelosi (D., Calif.).

''There is a significant amount of momentum that has built for this measure,'' Miss Kaptur said.

Ms. Pelosi, in a statement yesterday, said: ''For too long, the Bush Administration has ignored the needs of workers who are left unemployed through no fault of their own. Chairman Miller and Congresswoman Kaptur have been relentless champions for the cause of working men and women, and the new legislation incorporates those concerns.''

Alex Conant, a White House spokesman, had no immediate comment last night on Mr. Miller's WARN Act proposal, but defended the President's record on helping workers.

''The President has aggressively fought for and delivered tax relief for all taxpayers resulting in economic growth and job creation,'' he said. ''The best thing Congress can do to help workers and those seeking work is to keep taxes low to grow our economy and create new jobs.''

Mr. Miller's bill shares some characteristics with a bill introduced in the U.S. Senate by Mr. Brown and a bill in the U.S. House by Mr. McHugh.

Mr. Brown's bill is co-sponsored by Ms. Clinton and Mr. Obama, who are vying for the Democratic nomination for president.

The proposals introduced by Mr. Brown and Mr. Hugh, both called the FOREWARN Act, would lengthen the notification period required before a plant closing or mass layoff, increase penalties for violators, require more companies to provide notice before layoffs, and allow the Department of Labor and state attorneys general to represent workers in lawsuits.

Julie Hurwitz, the former executive director of the Sugar Law Center, a Detroit-based nonprofit legal center which advocates for workers in WARN Act cases, said she is ''heartened'' by the congressional efforts to reform the law.

''These are all sorely needed revisions that have to be made, particularly given the history of those loopholes that have existed in the original statute giving employers all kinds of wiggle room to essentially set their own agendas and still not be held accountable under the original version of the WARN Act,'' Ms. Hurwitz said.

Still, Ms. Hurwitz wants lawmakers to go a step further and address increasingly common tactics used by employers to evade their WARN Act duties.

''I would love to see somebody grapple with the use of releases or waivers that are now quite frequently used by employers to get out from any WARN Act liability or responsibility,'' Ms. Hurwitz said.

Mr. MCKEON. Mr. Speaker, we know that there have been job losses due to trade, there have been job losses due to technology improvements. There are other different reasons why jobs are lost, and we all feel the pain of those who have lost their jobs.

Having said that, the answer is not increased bureaucracy and increased problems that employers have to deal with in providing jobs and in coming up with new technology to create new jobs. The answer would be to streamline, to cut back the bureaucracy, yes, to give temporary help to workers that have been displaced, to give them the opportunity to get additional job training so that they can prepare for other occupations, and then to try to spread that pain across the country instead of just having it targeted on those specific plans.

We will offer later an amendment to this bill, a substitute, that will do just that. In the meantime, I encourage all of my colleagues to vote against additional bureaucracy and to vote against expanded government intrusion into the marketplace that causes these disruptions.

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

Mr. GEORGE MILLER of California. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman has 1 minute left.

Mr. GEORGE MILLER of California. I would urge my colleagues to support this legislation.

We could leave this to the marketplace, and you could throw your workers out on the street with no notice, no health care, no training, and that's it, and just tell them, welcome to the globalized world.

We thought we would try a different tack. We thought we would give workers notice where it is practical for employers to do so so the worker would have time to deal with the implications of a lost job on their family, to try to save their home, to try to save their kids' education, try to save the automobile, figure out how to get another job or how to get to retirement.

We also know that many workers that are released don't have health care coverage or can't get it in the marketplace. So we extended COBRA. We made that decision many years ago. Forty million people have used that to get them to another health care plan or to hold on to their coverage as long as they possibly could. We said for older workers, you can take it to Medicare. If you are over 55 years old and you have worked there 10 years, you can use COBRA. You pay all the premiums, you pay the administrative cost, but at least you have coverage. For some people, that's absolutely vital, because once they lose coverage, they can't get it again because they can't afford it or because they have preexisting conditions and they won't write that policy for those individuals.

This is just about whether or not we are going to treat Americans with some sense of decency who work all year long, provide for their families, work hard, play by the rules or whether they are just going to have to crash to the street and lose their income, their houses, their cars, their kids' education. That's the choice we get today.

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

The SPEAKER pro tempore. That portion of time has expired.

The gentleman from Louisiana has 13 minutes left, and the gentleman from Michigan has 16 minutes left.

GENERAL LEAVE

Mr. LEVIN. First, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3920.

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

There was no objection.

Mr. LEVIN. Mr. Speaker, I yield myself 4 minutes.

I would like today to talk about the facts, and next week we will talk about the facts on trade legislation. I think the approval of the U.S.-Peru FTA that came out unanimously from Ways and Means is the antithesis of CAFTA. Let me talk about the facts on TAA, which relates to those who are dislocated.

We received a letter dated October 23, 2007, from the Secretary of Labor, and she said it is important, and I quote, ''that the negative impacts that are borne by a few are offset in the form of assistance to persons and firms that may be adversely affected.''

I just want to say the facts are very different. It isn't a few. Trade isn't the only source of dislocation, but it is one of those and a substantial source. It's not a few. It's hundreds of thousands of people. We have lost 3 million manufacturing jobs in this country in recent years.

The President, or at least the administration, has sent a letter indicating their strong opposition, and I want to go over the facts quickly. It says, and I quote, that this legislation converts TAA from a trade-related program to a universal income support and training program. That is simply not true, and I will come back to that when I talk about services.

Number two, it says the increased duration of income support under this bill would result in some workers remaining out of the workforce and on assistance for 3 full years. That's really not accurate because the first 26 weeks are usually taken up by unemployment compensation when people are not using TAA directly. And then there are 2 years. In order to receive income support, they have to be in a training program. Now, there is a provision for an additional 6 months, but it applies to a relatively few people. So these facts don't support the strong opposition of the administration.

I am still hoping for bipartisan support. We did accept, voted for three amendments from the minority side in the Ways and Means Committee. We had three votes from the minority side, and I hope for very, very many more here on the House floor.

Next, the administration statement talks about industry-wide eligibility determinations and says that it would include workers not demonstrably affected by trade. It's the Department of Labor that has the ability to determine this, and so that sweeping statement is simply not true. As to the service sector, the administration letter says the bill does not clearly articulate any separation of such workers from their employment, must be attributable to trade. I just ask they read the language in the bill because it talks about articles or services like or directly competitive with articles that are produced

or services that are provided by such firm that relate to overseas competition.

Lastly, I want to say a word about health care. Look, we increased it from 65 to 85 percent because 65 percent doesn't work. Only 10 percent of those eligible for TAA now receive health care. We have an obligation in this institution for people who are laid off, who are dislocated, to receive health care for themselves and their family, and 65 to 70 percent isn't going to work. We know it. We know it.

Mr. MCCRERY. Mr. Speaker, before yielding to the gentleman from North Carolina, I was moved by Mr. MILLER's presentation a few minutes ago and would tell the Speaker, if he gets a chance, to tell the gentleman that if they would look at some of the provisions we have in our bill, it would make it, in fact, easier for all those people he is concerned about to get the training and the retraining under TAA, that those changes are not included in H.R. 3920 or in the bill that came out of Education and the Workforce.

With that, I would yield 2 minutes to the gentleman from North Carolina (Mr. HAYES).

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

Mr. HAYES. Mr. Speaker, I rise in support of H.R. 3920, the Trade and Globalization Assistance Act of 2007. Textile workers in my district in North Carolina have been disproportionately affected by trade and have suffered a number of closings.

I appreciate what Mr. MCCRERY is doing. I wish also that these two bills could have been better combined to take care of the advantages of both.

As many of you know, I have introduced the Trade Adjustment Assistance Reform Act, H.R. 1729, which seeks to expand the current TAA program to give greater resources to displaced workers.

Earlier in the year, I asked Chairman RANGEL to include the provisions in my bill in the comprehensive TAA reauthorization bill. I was pleased to see that many of these provisions made it into the legislation.

Specifically, this bill expands TAA eligibility to include dislocated workers affected by a shift in production in which workers' jobs are moved to nations that have no preferential trade agreement with the U.S., including, particularly, China and others.

It provides a strong increase in the health coverage tax credit. H.R. 3920 increases that credit from 65 to 85 percent. It increases TAA funding authorization from $220 million to $440 million.

I was disappointed to see that H.R. 3920 did not include a key provision to provide automatic eligibility for dislocated textile and apparel workers. However, I was pleased to see that it does include a provision that allows for industry-wide certifications. This bill requires the Secretary of Labor to conduct industry-wide certifications when three petitions from firms in the same industry, such as the textile industry, are certified within a 6-month period. This doesn't provide automatic eligibility for dislocated textile workers, but it is a step in the right direction.

Since I have been in Congress, I have pledged that our office would do all it could to assist displaced workers from the Eighth District in the State of North Carolina. I am pleased that many provisions of the reform act were included in the bill.

Mr. Speaker, I rise in support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

The Trade Adjustment Assistance program is a good program. I have worked hard to expand this program and make it better in the past, but we must make additional changes to help our manufacturing workers in this increasingly competitive global marketplace. While it is good that these workers are going to get extended unemployment benefits and insured health care, we all know that an unemployment check is no substitute for a paycheck. But when workers are displaced, we want to give them the skills to successfully reenter the workforce.

As many of you know, I have introduced the Trade Adjustment Assistance Reform Act, H.R. 1729, which seeks to expand the current TAA program to give greater resources to displaced workers. Early in the year, I asked Chairman RANGEL to include the provisions in my bill into the comprehensive TAA reauthorization bill. I was pleased to see that many of these provisions made it into this legislation.

Specifically, this bill:

Expands TAA eligibility to include dislocated workers affected by a shift in productions in which the workers' jobs are moved to nations that have no preferential trade agreement with the U.S., including China and others.

Provides a strong increase in the Health Coverage Tax Credit, HCTC. H.R. 3920 increases the tax credit from 65 percent to 85 percent.

Increases TAA funding authorization from $220 million to $440 million.

I was disappointed to see that H.R. 3920 did not include a key provision to provide automatic eligibility for dislocated textile and apparel workers; however, I was pleased to see that it does include a provision that allows for industry-wide certifications. This bill requires the Secretary of Labor to conduct industry wide certifications when three petitions from firms in the same industry, such as the textile industry, are certified within a 6-month period. This doesn't provide automatic eligibility for dislocated textile workers, but it is a step in the right direction.

Mr. Speaker, I have enjoyed working with my good friend and colleague Congressman MIKE MCINTYRE on this bill and North Carolina's Rural Center. The Rural Center is a nonprofit that seeks to promote economic development throughout North Carolina's rural areas, and the Center has been a tremendous advocate for helping dislocated workers throughout the state. This bill resembles many of the recommendations that were published in the Rural Center's report, "Gaining a Foothold—An Action Agenda to Aid North Carolina's Dislocated Workers."

Since I have been in Congress, I have pledged that our office would do all it could to assist displaced workers from the 8th District and the State of North Carolina. I am extremely pleased that many of the provisions of the Trade Adjustment Assistance Reform Act were included in this bill to make it possible for these workers to receive expanded assistance and job training to help them to make a successful change in their career.

I look forward to continuing to work with my colleagues as we debate and develop legislation that seeks to help our Nation's workforce adapt for new careers and opportunities.

Mr. LEVIN. It is my pleasure to yield 2 minutes to a colleague of mine and a member of the Ways and Means Committee, Mr. MCDERMOTT from Washington.

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

Mr. MCDERMOTT. Mr. Speaker, what makes America work is America's workers.

Today, America is going to work harder to protect its workers. We currently have a program that was put together in the middle of the night in 2002 in the midst of the fast track legislation, and it was never intended to work.

This bill provides protection for almost double the number of workers covered by that program. This measure before us also improves a more basic protection for all jobless workers, unemployment insurance. Only one-third of America's unemployed now receive unemployment benefits, and coverage rates for low-wage and part-time workers are considerably lower.

This bill provides up to $7 billion to States implementing specific policies designed to eliminate unnecessary barriers. We ask States to count a worker's most recent wages when determining their eligibility. We ask States to end discrimination against part-time workers. And we ask them not to disqualify workers who must leave work for compelling family reasons like domestic violence or taking care of a sick child or following a spouse whose job has moved.

These are State options. We are not requiring them to do anything. If they don't want it, they don't have to have the money. But we are giving them the opportunity to take care of their unemployed workers. The improvements promise to provide unemployment benefits to over half a million jobless workers if adopted in every State. Women particularly stand to gain from this bill because they are more likely to work in part-time or low-wage jobs and are more likely to leave for family reasons. The cost of supporting these reforms is fully offset by extending an unemployment tax that has been on the books for 30 years, and that President Bush is specifically asking us to continue. Any talk about increasing taxes is simply empty rhetoric from the other side. They know it, because the last time it was extended, they did it on their watch.

Mr. Speaker, a vote in favor of this bill should be the easiest vote that

every Member of Congress takes this year.

Mr. MCCRERY. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. HERGER), the ranking member of the Trade Subcommittee of the Ways and Means Committee.

Mr. HERGER. Mr. Speaker, losing a job is one of the most disruptive events that can occur to a worker and a family.

We should be helping these individuals to get back to work as soon as possible. That's why I support the trade adjustment assistance and why I introduced a short-term extension of the program to assist workers displaced by trade through December.

□ 1300

Unfortunately, I cannot support today's bill. In addition to expanding the TAA program, which already costs the American taxpayers nearly $1 billion each year, the majority shuts out numerous Republican suggestions that would have instilled accountability and increased flexibility for workers. One provision of their bill eliminates a State's ability to choose the best employees to administer TAA by requiring so-called State merit-based employees to run the program. This means that the 25 States that currently use local employees or outside contractors like nonprofit or community-based groups to operate a more efficient and effective TAA program will no longer be able to do so and will be required to hire more government workers.

I'm also amazed that the majority rejected our proposal to increase accountability by requiring States and organizations that receive TAA to meet performance measures. It should be the goal of all Members to see that taxpayers' dollars are spent wisely, and the lack of such measures is a fundamental shortcoming of the bill. This provision is included in the Republican substitute that we will offer later today.

Far from forcing workers into just any old job, Republicans have worked to find constructive ways to increase TAA program flexibility so workers could have more options to train for a new job and have greater access to employment services. But, again, these suggestions were rejected by the majority.

We all want to help unemployed workers to get back on their feet quickly. But TAA improvement, and especially an expansion of this magnitude, should have been considered in the context of expanding trade opportunities for all Americans through our pending free trade agreements, including Colombia, Panama and South Korea, and reauthorization of the trade promotion authority. Regrettably, we have no commitments from the majority on these important measures, despite months of work.

I urge my colleagues to reject H.R. 3920.

Mr. LEVIN. Mr. Speaker, it is my pleasure to yield 2 minutes to our very, very distinguished colleague from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend and colleague for yielding.

Mr. Speaker, I rise in strong support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

Under this administration, we have adopted a record eight free trade agreements. In trade and globalization, there are winners and there are losers.

Mr. Speaker, increasing the funding and efficiency of the trade assistance program is the very least we can do as a Congress.

In my home State of Georgia, we have used more than 125 percent of our allotment. Why? Because agriculture and textile jobs are disappearing. They're leaving the State of Georgia.

These families are struggling just to make ends meet. They want to work. They need to work. How can we oppose, how can we be against investing in our greatest asset, the American workforce?

We can spend hundreds, thousands, millions and billions of dollars on war. Can we spend just a few dollars on the workers of America?

To oppose this bill is heartless, it makes no sense, and it is irresponsible.

So I urge all of my colleagues to vote ''yes'' for this important bill.

MODIFICATION TO AMENDMENT NO. 1 OFFERED BY MR. MCCRERY

Mr. MCCRERY. Mr. Speaker, I ask unanimous consent that during consideration of H.R. 3920, pursuant to House Resolution 781, the amendment printed in part B of House Report 110–417 be modified by the form I've placed at the desk.

The SPEAKER pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 1 offered by Mr. MCCRERY:

In the matter proposed to be inserted, strike section 307(c).

The SPEAKER pro tempore. Without objection, the amendment is modified.

There was no objection.

Mr. MCCRERY. Mr. Speaker, may I inquire as to the remaining time for each side.

The SPEAKER pro tempore. The gentleman from Louisiana has 7½ minutes and the gentleman from Michigan has 8½ minutes.

Mr. MCCRERY. Mr. Speaker, at this time I would yield to the gentleman from Michigan (Mr. CAMP) for a unanimous consent request.

(Mr. CAMP of Michigan asked and was given permission to revise and extend his remarks.)

Mr. CAMP of Michigan. Mr. Speaker, the Trade Adjustment Assistance, TAA, program continues to be an important program to American workers who are left out of a job because of increased imports or jobs moving overseas. When workers need assistance getting back on their feet, the TAA program is there to help them get a new job or new career. It is important for Congress to reauthorize this critical program that right now is helping 15,000 workers in Michigan.

I support the Trade and Globalization Assistance Act. This bill provides more funds for training programs, increases the size of the health care tax credit, and assists workers who are in training programs with additional income support. I wish, however, that Chairman RANGEL would have made the health care tax credit permanent instead of eliminating it after 2 years. That being said, I believe it is important that the bill raises the amount of health insurance assistance from 65 percent to 85 percent. Now, out of work individuals will be better able to afford health insurance while they look for a new job.

In my district, where unemployment rates are higher than the national figures, the TAA program has been an invaluable tool in getting people into the classroom and into new, better paying jobs. The community colleges in my district have done a good job of expanding their curriculum to include new courses tailored to high-paying, expanding industries in Michigan. I remain committed to doing whatever it takes to maximize the Federal assistance available to help these workers and their families. In so doing, I will vote for the bill before us this afternoon.

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

Mr. LEVIN. Mr. Speaker, now I yield 2 minutes to another distinguished member of this Ways and Means Committee, Mr. NEAL from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Speaker, I want to acknowledge Mr. LEVIN's role, in not only the construction of this legislation, but the role that he's played, I think, in trade issues.

I rise in support of the Trade and Global Assistance Act of 2007. Otherwise known as TAA, this program has been successful in transitioning workers who have been displaced by foreign trade into new jobs. Many workers and businesses in my home district in Massachusetts have already been beneficiaries of assistance provided by TAA.

The bill we're considering today will provide extended and expanded benefits and do so for more workers. It will also expand the critical health care coverage that these displaced workers and their families need.

The bill doubles the current funding amount for retraining of workers for new jobs. But what might be the most exciting new feature in this proposal is the manufacturing and redevelopment zones which are very similar to the popular enterprise and empowerment zones that many American cities have had great success with. These new manufacturing zones will provide businesses with a host of incentives to redevelop in areas that have suffered substantial reductions in manufacturing employment.

TAA extension and expansion should go hand in hand with more free trade agreements. As one who is a supporter of the Peru Free Trade Agreement, which the committee of Ways and Means has just approved, TAA is the safety net we need to enact in a case-

by-case opportunity to give benefits to workers and industries who have been displaced or disrupted because of these agreements. Of course, it is our hope and intent that all free trade agreements lift all economies and industries of both participating countries. But if businesses are impacted and workers are impacted, we must have TAA to retrain that workforce for the jobs of the future.

I urge full adoption of this legislation.

Mr. MCCRERY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BRADY), a member of the Ways and Means Committee.

Mr. BRADY of Texas. Mr. Speaker, there's no question, we need to do a better job of helping people who are laid off from their jobs. Even though only 3 percent of this country's jobs are affected by trade, if it's your job, it's an important one.

But when workers try to get help, what they find is this program is bureaucratic and inefficient and slow to respond. There's a big mismatch between the skills our workers have and the ready jobs that are available for them. But TAA does not do a good job of matching those skills and those workers. And I think there's been a good-faith effort to try to make this a better program, but, in my view, the underlying bill makes it a bigger program, not necessarily a better one.

TAA is a leaky bucket, and I think we're making the bucket bigger and we're pouring more money into it. I don't think we're fixing the holes that really harm workers.

For example, in the bill today we actually enhance duplication of efforts rather than streamline it. This bill prohibits a worker who's laid off for trade reasons to going to the local job training center to get help. In fact, what we require is a new State-run program that has no track record, has no proven success, and we relegate them to really a second tier training system.

In Houston we have WorkSource. It's at 35 different sites around our region. It helps about 340,000 workers laid off, has put 53,000 back to work at higher than average salaries. It's a great proven product.

Under this bill, a worker can't even go down the street to take advantage of those computers and that networking and that work with businesses, but we set up a less efficient one, unproven for them. It doesn't make sense.

I object to the pay-for as well. We are actually making U.S. companies less competitive as they sell overseas. As you know, today it's not enough to buy American; you have to sell American. We want to sell John Deere tractors and Apple computers around the world, and this bill, unfortunately, actually punishes those companies and hurts the workers for them.

The Republican substitute is more flexible. It's less bureaucratic, and provides some commonsense training programs that will actually get workers back to work at a job they can raise their family on, which is what I think there is bipartisan support for.

Mr. LEVIN. Mr. Speaker, I yield 1½ minutes to another distinguished member of the Ways and Means Committee, Mr. BECERRA from California.

Mr. BECERRA. Ladies and gentlemen, we would not send our troops into battle without the best training, armor or weapons. And in that same vein, in today's hypercompetitive global economy, we must know that our workers are the best trained, equipped with the best tools to challenge and excel in the face of that competition.

You name the time or the place, in a fair fight, give me an American worker at my side, and I know I'll come out okay.

But the tragedy here is that, just as we have learned that too many of our troops deployed to Iraq without sufficient body armor or vehicle protection and too many Iraq soldiers have come home to face deplorable or indifferent health care treatment as veterans, for years, too many Americans, as workers, have faced bureaucratic indifference and roadblocks in securing training and adjustment assistance after losing a job due to expanded trade. Today, we plan to change that.

H.R. 3920 doubles job training opportunities so no American worker will face getting in that line and finding out that when he or she gets up there the money's run out for training.

This bill also includes service employees and public employees in the protection, which we haven't had before. If you're a truck driver who loses a job because your company, that other company tells you, well, we no longer need your trucking services because that company's now moving to another country, you've lost your job because of trade, and you should be included as well. We make sure that that employer who has to begrudgingly tell that employee ''I have to let you go,'' that that employer can make sure that if it's a main customer that went abroad, you will be protected as an employee.

Mr. Speaker, this is a time for us to stand up for American workers. It's not their fault. They should be covered, just as our troops should be covered.

Mr. MCCRERY. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, clearly, anyone who loses their job in America due to factors beyond their control deserve help. That's why we have the unemployment insurance program in the first place.

TAA, obviously, goes beyond that and says, if you lose your job because of foreign trade, then you're going to get extra benefits.

I would be even more enthusiastic about the program if I thought there was any agenda to promote trade by the Democrat majority. I see none. They have allowed the fast track to elapse. I have yet to see any trade agreement come to this floor. And I can say in Texas, the State that I hail from, one out of seven jobs is tied to trade. Trade is important. But I see no pro trade agenda here. What I do see is a massive expansion of another government program with a massive tax increase to go along with it.

Now, we know that roughly 3 percent of Americans will have their jobs displaced by trade. We know that trade will create far more jobs.

But again, I might be more enthusiastic about this legislation if I saw the Democrat majority step up to do something about those who lose their jobs due to frivolous litigation. And yet they've excelled at preventing any kind of tort reform in this economy whatsoever.

I might be more enthusiastic about this package if I saw the Democrat majority do anything to address those who lose their jobs due to excess taxation, particularly on small businesses, the job engine of America.

□ 1315

And yet we know that the distinguished chairman of the Ways and Means Committee just announced ''the mother of all tax hikes.'' Millions and millions of small businessmen all across America could see their taxes increase 25 percent. How many Americans are going to lose their job? Where's the sympathy for those people? Where is their particular special carveout in the unemployment insurance program? I don't see it.

And yet again another current theme we see in all the Democratic legislation is let's somehow loosen up the standards of who can qualify here. Whether it be for housing benefits and agriculture appropriations, whether it be in SCHIP, what we see is language to make it easier for illegal immigrants to access these benefits. We see it each and every time that the bill comes to the floor. We see it yet again in this legislation. Clearly, the American people reject this. That's why this particular program needs to be rejected.

Mr. LEVIN. I would now like to yield 1¾ minutes to another distinguished member of our committee, Mr. BLUMENAUER from Oregon.

Mr. BLUMENAUER. My good friend from Texas, if he would have bothered to talk to the ranking member of the Ways and Means Committee, who was seated on the floor next to him, would have known that there is a trade bill coming to the floor, passed unanimously, 39–0, that is a reflection of what we were sent here to do, which was to redefine, redirect these policies so that they were win-wins, so that they benefited the economy, not at the expense of working men and women, not at the expense of the environment. And the legislation we have before us here today is an extension of that strategy.

There is a clash of philosophies that you are going to hear in the next hour.

We have included a greater scope, including services, as you have talked about. The notion is to expand and enhance, to deal with people who are disadvantaged, in some cases harmed, because of global impacts beyond their control. Our Republican friends would propose to redirect and reduce.

We put more money for more employees with issues of health care. Their proposal, if you look at it carefully, is doing it on the cheap, perhaps with contract employees, capping training assistance at $8,000 over 2 years. Just because you call it a scholarship doesn't mean that it's not going to be a cut for over 25 percent of the workers on the current program in States like Pennsylvania. Even in Nebraska, 80 percent are going to see a 25 percent reduction because they already benefit from more expensive programs.

I hope that as a result of the debate today where people look behind the premises of our friends on the other side of the aisle, the program here, there will be an opportunity to make a judgment about what is the approach. Ultimately I hope we unite behind the approach in the bill before us, and I urge its adoption.

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

Mr. LEVIN. How much time is remaining?

The SPEAKER pro tempore. The gentleman from Michigan has 3¼ minutes. The gentleman from Louisiana has 3 minutes.

Mr. LEVIN. Mr. Speaker, I now yield 1½ minutes to another very active member of our committee, the Ways and Means Committee, Mr. PASCRELL from New Jersey.

Mr. PASCRELL. Mr. Speaker, to the gentleman from Texas, he obviously didn't read the bill. I recommend that you read the bills before you get up on the floor and make a fool of yourself.

It says right here, section 114, ''No benefit allowances, training, or other employment services may be provided under this chapter to a worker who is an alien unless the alien is an individual lawfully admitted for permanent residence to the United States, is lawfully present in the United States, or is permanently residing in the United States under color of the law.''

You stoop to conquer. You should be ashamed of yourselves. Every time you get in the corner, you've got to bring up illegal aliens. It says it in the law.

By the way, any law that I know of dealing with people who are out of work deals only with those people who are here legally. Get it? It's easy. It's simple. There are only three words here with more than three syllables. You've got to understand that, instead of coming to this floor and embarrassing yourselves.

We know that the dramatically accelerated pace of globalization is one of the more major phenomena of this era. We accept this. But we also believe that we must help shape globalization and mitigate its negative side effects so that American workers are no longer left behind. Dislocated workers put out of their jobs as a result of trade decisions must be protected. We need to first stop the hemorrhaging of the jobs. Just this morning, we had a 39–0 vote. How dare someone come to the floor and twist the record.

I want his words examined, the gentleman from Texas. I want his words examined. You can't come to the floor and say whatever you want. This is not covered speech.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind Members that they should address their remarks to the Chair and not to other Members in the second person.

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

Mr. Speaker, I understand how people can get emotional about some of the arguments with respect to these bills. My good friend from New Jersey is clearly agitated, and I understand that. But I would tell him that some very good lawyers have looked at the language in the bill, which is different from current law language with respect to providing benefits to illegal immigrants. And categories two and three, which the gentleman cited, ''lawfully present in the United States'' or ''permanently residing in the United States under color of law,'' do present problems. First, there are multiple definitions of what ''lawfully present'' means in current law and regulation. Even more fundamentally, literally millions of students and tourists and other ''nonimmigrants'' are ''lawfully present'' in the United States each year. The provision in the bill appears intended to make these groups eligible for TAA benefits despite their not being authorized to work in the United States in the first place.

And the category of ''permanently residing under color of law'' is still more problematic. Even though the welfare reform law sought to do away with this ambiguous category, it continues to be used in some programs. SAA regulations, for example, define PRUCOL, permanently residing in the United States under color of law, to include, among other categories, ''aliens living in the United States with the knowledge and permission of the INS/CIS and whose departure that agency does not contemplate enforcing.'' That is, those who are illegally present and who could be deported but are not. This category could include individuals who were originally authorized to work in the United States for a temporary period of time, lost that job, and under current law were supposed to leave the United States but remained despite the requirement that they leave. It could also include individuals who enter the United States illegally in the first place who are known to the government to be here but who are not being deported.

So, Mr. Speaker, I understand how we can all get emotional about this, but the fact is, at least according to the lawyers that have looked at this information and advised us, the bill does loosen current law with respect to verifying that people who are here illegally are not due the benefits. As the gentleman said, it appears that the intent of the bill is not to qualify those people, but the language of the bill, unfortunately, according to some very good lawyers, might, indeed, allow qualification for those who are here illegally.

Mr. Speaker, I didn't intend to get into all of that. But the fact is that the bill that is before us, I believe, goes way too far in spending, way too far in increasing taxes, and, for those two things alone, should be rejected.

Mr. LEVIN. Mr. Speaker, how much time do I have?

The SPEAKER pro tempore. The gentleman has 1¾ minutes.

Mr. LEVIN. Mr. Speaker, I yield the balance of that to the original sponsor of this legislation going back a number of years, Mr. SMITH of Washington.

(Mr. SMITH of Washington asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Washington. Thank you, Mr. Chairman, for your work on this legislation.

I strongly support expanding trade adjustment assistance for a very simple reason. Workers in our country need help.

We all acknowledge that the economy has changed. And one of the main features of that change is rapid displacement of workers. They have to update their skill. They have to change jobs. It used to be you could get a job for a company that you knew was going to be there and a job that you knew was going to be there, and everybody acknowledges that has changed, primarily because of global competition and because of technology.

So this bill asks one very simple question: Do you think the workers of this country need help in this new environment with all of that rapid change, with all of the displacement that we have heard about from both sides of the aisle today? Do the workers in this country need more help to deal with that? Do they need a bridge between jobs, income support? And do they need training to help them be qualified for new jobs that will be available? And do they need health care support since so many people in this country's health care is dependent upon their jobs?

The answer to all of those questions is obviously yes. That is what this bill does. It expands the number of people who will have access to that desperately needed help. It gives our workers a chance.

We all know that the new economy in globalization is here to stay. We acknowledge that. But what we on this side of the aisle want to do is help our workers deal with that instead of just saying, Good luck. It's changed. You're going to be displaced. We hope it works out for you. Overall, we'll be fine.

We focus on those workers who need help, and this bill gives them more help. It expands the service sector workers, and it expands the number of displaced workers in this country who will get that income support, that job training, and that health care that they so desperately need.

I strongly urge support for this legislation.

Mr. KIND. Mr. Speaker, today I rise in strong support of the Trade and Globalization Assistance Act so that all American workers will be able to realize the benefits of the global economy. H.R. 3920 will update our system of trade adjustment assistance, TAA, to include service sector employees, strengthen benefit levels and duration, improve worker training, and stimulate economic recovery in affected communities. These are needed changes to ensure that workers affected by globalization are taken care of if their job is lost.

International trade is an essential part of the American economy today and in the future. In fact, total U.S. trade of goods and services last year totaled $3.6 trillion. The reduction of trade barriers in recent years has led to a corresponding increase in trade volume, to the benefit of both American businesses and American consumers. Knowing that these benefits do not accrue evenly across all industries, however, Congress established the TAA program to help smooth the transition for workers who have to make the shift to a more competitive field.

The safety net for outsourced jobs, which consists of extended unemployment benefits, worker training, and a health care tax credit, was first enacted in 1962 and updated in 2002. This update, however, did not go far enough to bring the program up to date with current trade and labor realities. For one, the benefits currently extend only to workers in the manufacturing sector, despite the fact that a growing percentage of jobs shifted overseas have been from the services sector, such as telemarketing and financial services. Since the nature of the American economy has moved away from a reliance on manufacturing, it only makes sense that workers in the services sector be eligible for the same support as industrial workers.

The bill makes a number of other changes to strengthen TAA benefits, including an increase in the health care tax credit, an extension of income support and training period, and a large increase in the overall funding level to ensure that no eligible worker is turned away due to lack of program funds.

But H.R. 3920 also takes the TAA program beyond the effects on individual workers by offering new tax incentives for investment in distressed communities that have lost manufacturing jobs. The whole notion of worker assistance is meaningless without creating new jobs for displaced employees. Targeting investment into communities with an available workforce would benefit employers and employees alike and maintain vibrant towns and cities across this Nation.

Finally, this bill considers the needs of the larger Federal-State unemployment insurance (UI) system by dedicating $100 million annually for the States to improve UI administration. Additional funding for this purpose would also be available from Federal unemployment trust funds. This money would be an incentive for States to cover part-time, low-wage, and other workers in State UI laws.

I look forward to passing this bill today in anticipation of also passing pending trade deals in the coming weeks and months. By giving our businesses the freedom they need to sell American goods and services abroad, we are ensuring that the American economy will stay strong and competitive in the future. By assuring our employees that there will always be a place for good American workers, we will ensure a strong labor force capable of evolving along with the global economy.

I support H.R. 3920, and I urge my colleagues to vote for it today.

Mr. PATRICK J. MURPHY of Pennsylvania. Mr. Speaker, I rise today to support much-needed economic redevelopment through the Trade and Globalization Assistance Act. This forwarding-thinking legislation will ensure that America's workers receive the training and assistance they need to compete in the global economy.

Globalization has had a significant impact on the American workforce, but our national policies have not kept pace with international economic changes. Gone are the days when men and women began and ended their careers at a steel or textile mill. Now, even customer service professionals and software engineers are losing jobs to overseas competition.

Thirty years ago, in my district in Bucks County, Pennsylvania, more than 46,000 people were employed in manufacturing jobs. Like many other working-class communities, my district suffered severe job loss when foreign competition forced major employers like US Steel, Jones Apparel and Rohm and Haas to shut-down most of their operations. By 2005, manufacturing employment in Bucks County had fallen 34 percent. The departure of manufacturing jobs resulted in vacant properties, abandoned buildings and contaminated land—and in Bristol, Pennsylvania, crumbling roads and poor drainage put families at risk during a recent flood. But most of all, the decline in manufacturing jobs decline left thousands of middle class workers out of a job.

Mr. Speaker, the Trade and Globalization Assistance Act makes substantial improvements to the Trade Adjustment Assistance Program and gives communities like mine a chance.

Through the Manufacturing Redevelopment Zone Program, this legislation will provide important tax incentives to cities and towns like those in my district that have suffered substantial reductions in manufacturing employment. Communities designated as manufacturing redevelopment zones will have a second-chance to revitalize their economy by attracting new investments that will create family-sustaining jobs. This program will help lift-up some of our Nation's poorest communities, but it is also a chance to demonstrate our commitment to American innovation.

While towns in my district still face many challenges, lower Bucks County has begun to turn the comer. Over the past 5 years, we have worked hard attract new investment, support workforce development and improve infrastructure.

The ongoing redevelopment at a former US Steel site is an outstanding example of my community's potential. Through incentives and a commitment to revitalization, that site is now home to a clean wind power manufacturer that employs over 800 people. More high-tech, green energy companies plan to open facilities in the near future. We have made great progress, but there is more work to be done.

The additional incentives provided under a manufacturing zone designation would allow towns in lower Bucks County to make infrastructure improvements, cleanup brownfields, attract new investments and create jobs. Through ingenuity and good old fashioned American competitiveness we will move even closer to economic revitalization and energy independence.

Mr. Speaker, Lower Bucks County has enormous potential and I pledge to do everything I can to encourage economic growth and support middle class families in my district. Towns in my district are still struggling and I am proud to partner local leaders and the business community to support economic development.

By passing this bill, we give hard working Americans the support they need and strengthen a foundation for economic leadership. I urge my colleagues to support this critical piece of legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 3920, The Trade and Globalization Assistance Act of 2007, introduced by my distinguished colleague from New York, Chairman RANGEL. This important legislation updates and overhauls the antiquated Trade Assistance Act for workers program of 1962.

In today's globalized economy, no worker is untouched by the phenomenon of the global trade market. In 1962, when the Trade Assistance Act was conceived and implemented, the status of American workers was much different than it is today. The existing and outdated legislation is marred with arbitrary eligibility criteria and inconsistencies as well as a lack of coverage for workers in industries that were not yet prominent.

Mr. Speaker, the Trade and Globalization Assistance Act of 2007, integrates all workers whose efforts in building our global economy make our economy flourish within the international system. Coverage will now be granted to workers in the service industry, which had yet to significantly develop in the 1960's, as well as secondary and offshore workers. The bill eliminates restrictions, ensuring that all workers impacted by trade are covered, regardless of where the factory relocated to or where the import competition came from. This legislation will also ensure automatic certification for workers covered by ITC injury determinations, which is a major issue in the current economy in which products and technologies quickly are eclipsed and job security is never ensured. Furthermore, this legislation will work to synchronize the Trade Assistance Act certification process which is currently on a firm-by-firm basis. Consistency in our treatment of workers is absolutely imperative, to ensure we have an equitable system which protects the backbone of our Nation.

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, has urged Congress to pass this legislation. As representatives of America's workers, it is our duty to ensure that they receive all the possible security and benefits of their labor, especially in today's unpredictable global economy. This bill extends TAA job training and health benefits to service workers who lose their jobs due to global trade and covers more manufacturing workers. It also dramatically improves TAA health care benefits and

strengthens job training benefits in order to ensure that our workers develop the skills they need to be successful in well paying jobs. This bill further protects American workers by creating new benefits and tax incentives for industries and communities that have experienced manufacturing job losses, promotes long-needed reforms in unemployment benefits, and strengthens notification of workers laid off in plant closing or in mass layoffs.

This Congress has charted a New Direction Congress when it comes to protecting American workers and by passing an increase in the minimum wage. We must also ensure that America remains a competitive economic power. We must ensure that our workforce is adequately skilled and provided for, not just the privileged few who benefit from the prosperity of our nation but also the labor of everyday Americans who ensure the continued growth of our economy.

Mr. Speaker, I feel that as this country moves forward, this bill is an important first step in ensuring that it does not do so at the expense of American workers.

Mr. VAN HOLLEN. Mr. Speaker, I rise today in support of H.R. 3920, the Trade and Globalization Assistance Act of 2007.

Growing global economic integration means the U.S. economy is more protected from domestic economic shocks because more people in more countries are buying American goods and services. But globalization can also produce harmful short term affects—such as when American jobs are lost as a result of trade. That is what H.R. 3920 is about.

H.R. 3920 helps those American workers who lose their jobs by no fault of their own as a result of trade and who need assistance in meeting the new challenges of the changing global economy. The types of assistance provided include additional training, long term education, short term income support, and health care.

The bill expands trade adjustment assistance to service workers including government employees who are laid off because of trade. When trade adjustment assistance started in 1962, U.S. trade in services was not significant. Today, the service sector comprises more than 70 percent of the U.S. economy. H.R. 3920 updates trade adjustment assistance to account for the size and growing significance of the American service sector.

The bill also expands assistance to more manufacturing workers by eliminating restrictions on what country a U.S. factory's jobs are moved to or whether the loss of jobs are ''downstream'' so that all workers impacted by trade are covered regardless of where the factory relocates or where the import competition came from.

H.R. 3920 also helps American workers adapt to the needs of the changing global economy by enabling them to upgrade their skills. This bill doubles training assistance and provides up to 130 weeks of additional income support for workers who require a longer educational period, such as when finishing a college degree.

Mr. Speaker, today the Peru Free Trade Agreement was reported out of the Ways and Means Committee by a vote of 39–0. Many of us supported the Peru FTA because of the landmark workers rights and environmental provisions negotiated this past May that were inserted in the agreement. They were also influenced and encouraged by H.R. 3920 because they, like myself, feel more confident that American workers harmed by trade will get the assistance they need to meet the new challenges created by a global economy.

I am proud to support H.R. 3920 the Trade and Globalization Assistance Act of 2007, and I encourage my colleagues to do the same.

Mr. ETHERIDGE. Mr. Speaker, I rise today in support of H.R. 3920, the Trade and Globalization Act of 2007.

Mr. Speaker, it has been over two decades since there has been any meaningful updating of this important legislation. Effective job training gives workers the tools they need to make the most of their employment and economic opportunities.

When the first Trade Adjustment Assistance Act was passed in 1962 the job losses addressed by this law were mainly manufacturing jobs; today our economy faces the threat of job losses in the service industry as well.

H.R. 3920 makes important updates to this initiative, including provisions that close outdated loopholes to make anyone who loses a job as a result of a factory moving overseas to be eligible for Trade Adjustment Assistance. The bill doubles the training fund cap to retrain displaced workers from $220 to $440 million dollars, makes more service industry workers such as customer service workers eligible for assistance, and finally, increases the Health Care Tax Credit subsidy for displaced workers who have lost their healthcare coverage to 85 percent.

Mr. Speaker, this is timely and needed legislation. I urge my colleagues to support this bill and vote yes on H.R. 3920.

The SPEAKER pro tempore. All time for debate on the bill has expired.

AMENDMENT NO. 1 OFFERED BY MR. MCCRERY, AS MODIFIED

Mr. MCCRERY. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 printed in part B of House Report 110–417 offered by Mr. MCCRERY, as modified:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Helping American Workers Adjust to Globalization and Win Act''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Petitions and Determinations

Sec. 101. Petitions.
Sec. 102. Group eligibility requirements.
Sec. 103. Determinations by Secretary of Labor.
Sec. 104. Benefit information to workers.
Sec. 105. Administrative reconsideration of determinations by Secretary of Labor.

Subtitle B—Program Benefits

CHAPTER 1—TRADE READJUSTMENT ALLOWANCES

Sec. 111. Qualifying requirements for workers.
Sec. 112. Weekly amounts.
Sec. 113. Limitations on trade readjustment allowances.

CHAPTER 2—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES

Sec. 121. Reemployment services.
Sec. 122. Training.
Sec. 123. Job search allowances.
Sec. 124. Relocation allowances.

Subtitle C—General Provisions

Sec. 131. Agreements with States.
Sec. 132. Authorization of appropriations; incentive payments to States.
Sec. 133. Phase-out of demonstration project for alternative trade adjustment assistance for older workers.
Sec. 134. Wage supplement program.
Sec. 135. Definitions.
Sec. 136. Capacity-building grants to enhance training for workers.

Subtitle D—Effective Date

Sec. 141. Effective date.

TITLE II—OTHER TRADE ADJUSTMENT ASSISTANCE PROGRAMS AND RELATED PROVISIONS

Sec. 201. Technical assistance for firms.
Sec. 202. Extension of trade adjustment assistance for firms.
Sec. 203. Extension of trade adjustment assistance for farmers.
Sec. 204. Judicial review.
Sec. 205. Termination.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Credit reduction for failures relating to co-enrollment of participants and program performance reports.
Sec. 302. TAA wage supplement participants eligibility for credit for health insurance costs.
Sec. 303. Special allocation under new markets tax credit in connection with trade adjustment assistance.
Sec. 304. Expedited reemployment demonstration projects.
Sec. 305. Increase in percentage of TAA and PBGC health insurance tax credit.
Sec. 306. Collection of unemployment compensation debts.
Sec. 307. Offsets.

TITLE IV—WORKFORCE INVESTMENT IMPROVEMENT

Sec. 401. Short title.
Sec. 402. References.

Subtitle A—Amendments to Title I of the Workforce Investment Act of 1998

Sec. 411. Definitions.
Sec. 412. Purpose.
Sec. 413. State workforce investment boards.
Sec. 414. State plan.
Sec. 415. Local workforce investment areas.
Sec. 416. Local workforce investment boards.
Sec. 417. Local plan.
Sec. 418. Establishment of one-stop delivery systems.
Sec. 419. Eligible providers of training services.
Sec. 420. Eligible providers of youth activities.
Sec. 421. Youth activities.
Sec. 422. Comprehensive programs for adults.
Sec. 423. Performance accountability system.
Sec. 424. Authorization of appropriations.
Sec. 425. Job Corps.
Sec. 426. Native American programs.
Sec. 427. Migrant and seasonal farmworker programs.
Sec. 428. Veterans' workforce investment programs.
Sec. 429. Youth challenge grants.
Sec. 430. Technical assistance.

Sec. 431. Demonstration, pilot, multiservice, research and multi-State projects.
Sec. 432. Community-based job training.
Sec. 433. Evaluations.
Sec. 434. National dislocated worker grants.
Sec. 435. Authorization of appropriations for national activities.
Sec. 436. Requirements and restrictions.
Sec. 437. Nondiscrimination.
Sec. 438. Administrative provisions.
Sec. 439. State legislative authority.
Sec. 440. Workforce innovation in regional economic development.
Sec. 441. General program requirements.

Subtitle B—Adult Education, Basic Skills, and Family Literacy Education

Sec. 451. Table of contents.
Sec. 452. Amendment.

Subtitle C—Amendments to the Wagner–Peyser Act

Sec. 461. Amendments to the Wagner-Peyser Act.

Subtitle D—Amendments to the Rehabilitation Act of 1973

Sec. 471. Findings.
Sec. 472. Rehabilitation Services Administration.
Sec. 473. Director.
Sec. 474. Definitions.
Sec. 475. State plan.
Sec. 476. Scope of services.
Sec. 477. Standards and indicators.
Sec. 478. Reservation for expanded transition services.
Sec. 479. Client assistance program.
Sec. 480. Protection and advocacy of individual rights.
Sec. 481. Chairperson.
Sec. 482. Authorizations of appropriations.
Sec. 483. Conforming amendment.
Sec. 484. Helen Keller National Center Act.

Subtitle E—Transition and Effective Date

Sec. 491. Transition provisions.
Sec. 492. Effective date.

TITLE I—TRADE ADJUSTMENT ASSISTANCE FOR WORKERS

Subtitle A—Petitions and Determinations

SEC. 101. PETITIONS.

Section 221(a) of the Trade Act of 1974 (19 U.S.C. 2271(a)) is amended—

(1) in paragraph (1), by striking ''simultaneously with the Secretary and with the Governor of the State in which such workers' firm or subdivision is located'' and inserting ''with the Secretary'';

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

''(2) Upon receipt of a petition filed under paragraph (1), the Secretary shall promptly notify the Governor of the State in which such workers' firm or subdivision is located of the filing of the petition and its contents.'';

(4) in paragraph (3) (as redesignated by paragraph (2) of this section), by striking ''a petition filed under paragraph (1)'' and inserting ''a notice under paragraph (2)''; and

(5) in paragraph (4) (as redesignated by paragraph (2) of this section)—

(A) by striking ''the petition'' and inserting ''a petition filed under paragraph (1)''; and

(B) by inserting ''and on the Website of the Department of Labor'' after ''in the Federal Register''.

SEC. 102. GROUP ELIGIBILITY REQUIREMENTS.

(a) IN GENERAL.—Subsection (a)(2)(B)(i) of section 222 of the Trade Act of 1974 (19 U.S.C. 2272) is amended by inserting at the end before the semicolon the following: ''that contributed importantly to such workers' separation or threat of separation''.

(b) ADVERSELY AFFECTED SECONDARY WORKERS.—Subsection (b) of such section is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) by redesignating paragraph (3) as paragraph (4);

(3) by inserting after paragraph (2) the following new paragraph:

''(3) the sales or production, or both, of such firm or subdivision have decreased absolutely; and''; and

(4) in subparagraph (A) of paragraph (4) (as redesignated by paragraph (2) of this subsection), by inserting at the end before the semicolon the following: ''and contributed importantly to the workers' separation or threat of separation determined under paragraph (1)''.

(c) DEFINITIONS.—Subsection (c) of such section is amended—

(1) in paragraph (3), by striking '', if the certification of eligibility under subsection (a) is based on an increase in imports from, or a shift in production to, Canada or Mexico''; and

(2) by adding at the end the following new paragraphs:

''(5) The term 'article' means—

''(A) a tangible product subject to duty under the Harmonized Tariff Schedule of the United States which is not incidental to the provision of a service; or

''(B) an intangible product, such as a digital product (including computer programs, text, video, image and sound recordings, and similar products), that would be subject to duty under the Harmonized Tariff Schedule of the United States if the intangible product were embodied in a physical medium and which is not incidental to the provision of a service.

''(6) The term 'worker' means—

''(A) with respect to a firm described in subsection (a)—

''(i) an individual directly employed by the firm that produces an article that is the basis for a determination under subsection (a) and who performs tasks relating to the production of the article; or

''(ii) an individual who is under the operational control of the firm that produces an article that is the basis for a determination under subsection (a) pursuant to a contract or leasing arrangement and who performs tasks relating to the production of the article;

''(B) with respect to a firm that is a supplier described in subsection (b)—

''(i) an individual directly employed by the firm that is a supplier and who performs tasks relating to the production of component parts for an article that is the basis for a determination under subsection (a); or

''(ii) an individual who is under the operational control of the firm that is a supplier pursuant to a contract or leasing arrangement and who performs tasks relating to the production of component parts for an article that is the basis for a determination under subsection (a); and

''(C) with respect to a firm that is a downstream producer described in subsection (b)—

''(i) an individual directly employed by the firm that is a downstream producer and who perform tasks relating to the provision of additional, value-added production processes for an article that is the basis for a determination under subsection (a); or

''(ii) an individual who is under the operational control of the firm that is a downstream producer pursuant to a contract or leasing arrangement and who performs tasks relating to the provision of additional, value-added production processes for an article that is the basis for a determination under subsection (a).''.

SEC. 103. DETERMINATIONS BY SECRETARY OF LABOR.

(a) WORKERS COVERED BY CERTIFICATION.—Subsection (b) of section 223 of the Trade Act of 1974 (19 U.S.C. 2273) is amended—

(1) in the matter preceding paragraph (1), by striking ''under this section'' and inserting ''under subsection (a) or (d) of this section''; and

(2) in paragraph (2), to read as follows:

''(2) after the earliest of—

''(A) the date that is two years after the date on which certification is granted under subsection (a);

''(B) the date that is two years after the date of the earliest determination, if any, denying certification under subsection (a); or

''(C) the termination date, if any, determined under subsection (e).''.

(b) PUBLICATION OF DETERMINATION.—Subsection (c) of such section is amended—

(1) by striking ''his determination'' and inserting ''a determination'';

(2) by inserting ''and on the Website of the Department of Labor'' after ''in the Federal Register''; and

(3) by striking ''his reasons'' and inserting ''the Secretary's reasons''.

(c) AMENDMENT TO CERTIFICATION.—Such section is further amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) Whenever the Secretary determines, with respect to any certification of eligibility of the workers of a firm or subdivision of the firm, and subject to such regulations as the Secretary may prescribe, that good cause exists to amend such certification, the Secretary shall amend such certification and promptly publish notice of such amendment in the Federal Register and on the Website of the Department of Labor together with the reasons for making such determination.''.

(d) TERMINATION OF CERTIFICATION.—Subsection (e) of such section (as redesignated by subsection (c)(1) of this section) is amended—

(1) by striking ''he shall'' and inserting ''the Secretary shall'';

(2) by inserting ''and on the Website of the Department of Labor'' after ''in the Federal Register''; and

(3) by striking ''his reasons'' and inserting ''the Secretary's reasons''.

SEC. 104. BENEFIT INFORMATION TO WORKERS.

Section 225(a) of the Trade Act of 1974 (19 U.S.C. 2275(a)) is amended in the fourth sentence by striking ''the State Board for Vocational Education or equivalent agency and other public or private agencies, institutions, and employers, as appropriate,'' and inserting ''the appropriate State workforce investment board (established under section 111 of the Workforce Investment Act of 1998 (29 U.S.C. 2821)) and State workforce agency responsible for the administration of the State workforce investment program funded under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.)''.

SEC. 105. ADMINISTRATIVE RECONSIDERATION OF DETERMINATIONS BY SECRETARY OF LABOR.

(a) IN GENERAL.—Subchapter A of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 226. ADMINISTRATIVE RECONSIDERATION OF DETERMINATIONS BY SECRETARY OF LABOR.

''(a) ADMINISTRATIVE RECONSIDERATION.—

''(1) IN GENERAL.—A worker, group of workers, certified or recognized union or other duly authorized representative of such worker or group of workers, or any of the individuals or entities described in section 221(a)(1)(C), aggrieved (or on behalf of such

workers aggrieved) by a determination of the Secretary of Labor under section 223 denying a certification of eligibility, may file a request for administrative reconsideration with the Secretary not later than 60 days after the date on which notice of the determination is published under section 223.

''(2) FAILURE TO MAKE TIMELY REQUEST.—The failure to file a request for administrative reconsideration of a determination denying a certification of eligibility under section 223 within the 60-day period described in paragraph (1) shall be deemed to be a failure to exhaust administrative remedies and such determination shall not be subject to judicial review under section 284.

''(b) NOTICE, REVIEW, AND FINAL DETERMINATION.—

''(1) NOTICE.—If a request for administrative reconsideration of a determination of the Secretary is filed in accordance with the provisions of subsection (a), the Secretary shall promptly publish notice thereof in the Federal Register and on the Website of the Department of Labor.

''(2) REVIEW OF DETERMINATION.—The Secretary shall initiate a review of the determination of the Secretary upon filing of the request for administrative reconsideration under subsection (a) and shall include an opportunity for interested persons to submit additional information.

''(3) FINAL DETERMINATION.—The Secretary shall issue a final determination on the request for administrative reconsideration not later than 60 days after the date on which the Secretary publishes notice of the request for reconsideration pursuant to paragraph (1). Upon reaching a determination on a reconsideration, the Secretary shall promptly publish a summary of the determination in the Federal Register and on the Website of the Department of Labor, together with the reasons for making such determination. The requirements relating to judicial review under section 284 shall apply to any determination made by the Secretary under this subsection.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by inserting after the item relating to section 225 the following:

''Sec. 226. Administrative reconsideration of determinations by Secretary of Labor.''.

Subtitle B—Program Benefits

CHAPTER 1—TRADE READJUSTMENT ALLOWANCES

SEC. 111. QUALIFYING REQUIREMENTS FOR WORKERS.

(a) BASIC TRADE READJUSTMENT ALLOWANCE.—Subsection (a) of section 231 of the Trade Act of 1974 (19 U.S.C. 2291) is amended—

(1) in the matter preceding paragraph (1), by striking ''60 days'' and inserting ''40 days'';

(2) in paragraph (1), by striking ''occurred—'' and all that follows and inserting ''occurred during the period described in section 223(b).''; and

(3) by striking paragraphs (4) and (5).

(b) PAYMENT OF ADDITIONAL TRADE READJUSTMENT ALLOWANCE.—Such section is further amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following new subsection:

''(b) In addition to the payment of a trade readjustment allowance under subsection (a), payment of an additional trade readjustment allowance shall be made to an adversely affected worker who is covered by a certification under subchapter A and who—

''(1) files an application for such allowance for any week of unemployment which begins after the worker has received the maximum amount of trade readjustment allowances payable under subsection (a);

''(2) meets the conditions described in paragraphs (1) through (3) of subsection (a); and

''(3) is either—

''(A) totally unemployed and is enrolled in a full-time training program approved by the Secretary under section 236(a); or

''(B) partially unemployed and is enrolled in a full-time or part-time training program approved by the Secretary under section 236(a).''.

(c) WITHHOLDING OF TRADE READJUSTMENT ALLOWANCE PENDING BEGINNING OR RESUMPTION OF PARTICIPATION IN TRAINING PROGRAM; PERIOD OF APPLICABILITY.—Subsection (c) of such section (as redesignated by subsection (b)(1) of this section) is amended to read as follows:

''(c) If the Secretary determines that—

''(1) the adversely affected worker—

''(A) has failed to begin participation in the training program the enrollment in which meets the requirement of subsection (b)(3), or

''(B) has ceased to participate in such training program before completing such training program, and

''(2) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the adversely affected worker under this part for the week in which such failure, cessation, or revocation occurred, or any succeeding week, until the adversely affected worker begins or resumes participation in a training program approved under section 236(a).''.

(d) WAIVERS OF TRAINING REQUIREMENTS.—Subsection (d) of such section (as redesignated by subsection (b)(1) of this section) is hereby repealed.

SEC. 112. WEEKLY AMOUNTS.

(a) IN GENERAL.—Subsection (a) of section 232 of the Trade Act of 1974 (19 U.S.C. 2292) is amended—

(1) by striking ''(a)'' and inserting ''(a)(1)'';

(2) by inserting ''paragraph (2) and'' after ''Subject to'';

(3) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(4) by adding at the end the following new paragraph:

''(2)(A) Notwithstanding section 231(a)(3)(B), if an adversely affected worker who is participating in training qualifies for unemployment insurance under State law, based in whole or in part upon part-time or short-term employment following approval of the worker's initial trade readjustment allowance application under section 231(a), then for any week for which unemployment insurance is payable and for which the worker would otherwise be entitled to a trade readjustment allowance based upon the certification under section 223, the worker shall be paid a trade readjustment allowance in the amount described in subparagraph (B).

''(B) The trade readjustment allowance payable under subparagraph (A) shall be equal to the weekly benefit amount of the unemployment insurance upon which the worker's trade readjustment allowance was initially determined under paragraph (1), reduced by—

''(i) the amount of the unemployment insurance benefit payable to such worker for that week of unemployment for which a trade readjustment allowance is payable under subparagraph (A) of this paragraph; and

''(ii) the amounts described in subparagraphs (A) and (B) of paragraph (1).''.

(b) ADVERSELY AFFECTED WORKERS WHO ARE UNDERGOING TRAINING.—Subsection (b) of such section is amended—

(1) by inserting ''under section 231(b)'' after ''who is entitled to trade readjustment allowances''; and

(2) by striking ''he is undergoing any such'' and inserting ''such worker is undergoing''.

SEC. 113. LIMITATIONS ON TRADE READJUSTMENT ALLOWANCES.

Section 233 of the Trade Act of 1974 (19 U.S.C. 2293) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking ''The maximum amount'' and inserting ''Except as provided in paragraph (3), the maximum amount''; and

(ii) by striking ''52'' and inserting ''39''; and

(B) in paragraph (3), by striking ''52'' each place it appears and inserting ''65'';

(2) by striking subsection (b);

(3) by redesignating subsections (c) through (g) as subsections (b) through (f), respectively; and

(4) in subsection (f) (as redesignated by paragraph (3) of this section), by striking ''section 236(a)(5)(D)'' and inserting ''section 236''.

CHAPTER 2—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES

SEC. 121. REEMPLOYMENT SERVICES.

(a) IN GENERAL.—Section 235 of the Trade Act of 1974 (19 U.S.C. 2295) is amended—

(1) in the heading, by striking ''**EMPLOYMENT**'' and inserting ''**REEMPLOYMENT**'';

(2) by striking ''The Secretary'' the first place it appears and inserting ''(a) The Secretary'';

(3) by striking ''counseling, testing, and placement services, and supportive and other services'' and inserting ''career counseling, testing and assessments, and job placement services, and supportive and other services''; and

(4) by adding at the end the following new subsection:

''(b) In order to facilitate the provision of services described in subsection (a), the Secretary shall ensure the effective implementation of the requirements of section 239(e) relating to the co-enrollment of adversely affected workers in the dislocated worker program authorized under chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2861 et seq.).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by striking the heading relating to part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 and the item relating to section 235 of such Act and inserting the following:

''PART II—TRAINING, OTHER REEMPLOYMENT SERVICES, AND ALLOWANCES

''Sec. 235. Reemployment services.''.

SEC. 122. TRAINING.

(a) IN GENERAL.—Section 236 of the Trade Act of 1974 (19 U.S.C. 2296) is amended to read as follows:

''SEC. 236. TRAINING.

''(a) APPROVAL OF TRAINING.—

''(1) IN GENERAL.—If the Secretary determines that an adversely affected worker, including an adversely affected worker who has obtained reemployment subsequent to separation from the adversely affected employment, or an adversely affected incumbent worker, meets the criteria described in paragraph (2), and otherwise meets the requirements described under this section, the Secretary shall approve the training program requested by the worker. Upon such approval, the worker shall be entitled to have payment of the costs of such training (subject to the limitations imposed by this section) paid on the worker's behalf by the Secretary directly or through a voucher system.

The costs of such training shall include the costs of tuition, books, required tools, and fees related to education, licensing, or certification.

''(2) CRITERIA FOR APPROVAL OF TRAINING PROGRAM.—For purposes of paragraph (1), training for an adversely affected worker or an adversely affected incumbent worker, shall be approved if the Secretary determines that—

''(A) the worker needs additional marketable skills to obtain or retain employment comparable to the worker's adversely affected employment;

''(B) there is a reasonable expectation of such employment following the completion of the training; and

''(C) the worker is qualified to undertake and complete the training sought.

''(3) ENROLLMENT DEADLINE.—

''(A) IN GENERAL.—In order to receive assistance under this section, a worker shall enroll in a training program approved under paragraph (1) not later than the later of—

''(i) the last day of the 39th week after the worker's most recent separation from adversely affected employment which meets the requirements of paragraphs (1) and (2) of section 231(a); or

''(ii) the last day of the 13th week after the week in which the Secretary issues a certification under subchapter A covering such worker.

''(B) EXTENSION FOR JUSTIFIABLE CAUSE.—The Secretary may grant an extension of the enrollment period described in subparagraph (A) for a worker if the Secretary determines that there is justifiable cause for such an extension.

''(b) FUNDING FOR TRAINING.—

''(1) ANNUAL LIMIT ON AGGREGATE PAYMENTS UNDER PROGRAM.—

''(A) IN GENERAL.—The total amount of payments that may be made under subsection (a)(1) for any fiscal year shall not exceed $220,000,000.

''(B) APPORTIONMENT AMONG STATES.—The Secretary shall establish a method for apportioning among States the funds that are available for training under this chapter in any fiscal year. Such method may include the use of formula allotments and reallotments, and the establishment of a reserve that is used to assist in apportioning funds to those States in need of additional funding during the fiscal year.

''(2) LIMITATIONS APPLICABLE TO WORKERS.—

''(A) DURATION.—Subject to subparagraph (C), the costs of a training program approved under subsection (a)(1) for an adversely affected worker or an adversely affected incumbent worker shall be paid under this section for a period not to exceed four years from the date the worker first enrolled in the training program. A worker may participate in such training program during such period on a full-time or part-time basis. During the period of participation the worker shall make adequate yearly progress, as determined by the Secretary, toward the attainment of a license, certificate, or degree pursuant to such training program in order to remain eligible for assistance under this section.

''(B) AMOUNT.—Subject to subparagraph (C), the payments for a training program under subsection (a)(1) for a worker may not exceed $4,000 for any one-year period, or a total of $8,000 over the maximum four-year period described in subparagraph (A).

''(C) EXCEPTIONS.—

''(i) LITERACY TRAINING AND PREREQUISITES.—If the Secretary determines that an adversely affected worker or an adversely affected incumbent worker needs literacy training, English as a second language instruction, remedial education, educational assistance to obtain a high school diploma or General Equivalency Degree, or prerequisites in order to participate in a training program for occupations in demand, the Secretary shall approve the provision of such activities and provide up to $1,000 in payments for such activities. Such payments shall not be included for purposes of applying the limits on payments described in subparagraph (B).

''(ii) ON-THE-JOB TRAINING.—The provisions of subparagraphs (A) and (B) shall not be applicable to on-the-job training programs, except as provided in subsection (f)(2).

''(3) DUPLICATIVE PAYMENTS PROHIBITED.—No payment may be made under subsection (a)(1) of the costs of training an adversely affected worker or an adversely affected incumbent worker if such costs are payable or have already been paid under any other provision of Federal law.

''(4) REPORT.—

''(A) IN GENERAL.—Not later than May 31 and November 30 of each year, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on—

''(i) the initial allocation among States of funds for training approved under this section;

''(ii) any additional distributions of funds for training approved under this section during the two most recent fiscal quarters and cumulatively during the fiscal year;

''(iii) the amount of funds obligated and expended by the States to provide training approved under this section during the two most recent fiscal quarters and cumulatively during the fiscal year; and

''(iv) the efforts of the Department of Labor to ensure that each State receives an appropriate level of funds during the fiscal year to provide training approved under this section to all eligible workers.

''(B) DEFINITION.—In this paragraph, the term 'fiscal quarter' means any 3-month period beginning on October 1, January 1, April 1, or July 1 of a fiscal year.

''(c) TRAINING PROGRAMS THAT MAY BE APPROVED.—The training programs that may be approved under subsection (a) include—

''(1) employer-based training, including—

''(A) on-the-job training;

''(B) customized training; and

''(C) apprenticeship programs registered under the National Apprenticeship Act (29 U.S.C. 50 et seq.);

''(2) a training program that leads to a license, certificate, or degree and is linked to occupations in demand, which may include training provided in classroom, distance learning, and technology-based learning;

''(3) a training program that has been determined by a State to be eligible to receive payments under section 122 of the Workforce Investment Act of 1998 (29 U.S.C. 2842);

''(4) a program of remedial education that will enable a worker to obtain employment or to enroll in a training program described in paragraph (2) or (3); and

''(5) a training program for which all, or any portion, of the costs of training the worker are paid—

''(A) under any Federal or State program other than this chapter; or

''(B) from any source other than this section.

''(d) SHARING OF COSTS.—

''(1) IN GENERAL.—The Secretary is not required under subsection (a) to pay the costs of any training approved under such subsection to the extent that such costs are paid—

''(A) under any Federal or State program other than this chapter; or

''(B) from any source other than this section.

''(2) COST-SHARING AGREEMENT.—Before approving any training to which paragraph (1) may apply, the Secretary may require that the adversely affected worker or the adversely affected incumbent worker enter into an agreement with the Secretary under which the Secretary will not be required to pay under this section the portion of the costs of such training that the worker has reason to believe will be paid under the program, or by the source, described in subparagraph (A) or (B) of paragraph (1).

''(e) SUPPLEMENTAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary may, where appropriate, authorize supplemental assistance necessary to defray reasonable transportation and subsistence expenses for separate maintenance when training is provided in facilities that are not within commuting distance of a worker's regular place of residence.

''(2) LIMITATIONS.—The Secretary may not authorize—

''(A) payments for subsistence that exceed whichever is the lesser of—

''(i) the actual per diem expenses for subsistence; or

''(ii) payments at 50 percent of the prevailing per diem allowance rate authorized under the Federal travel regulations; or

''(B) payments for travel expenses exceeding the prevailing mileage rate authorized under the Federal travel regulations.

''(f) PAYMENT OF COSTS OF ON-THE-JOB TRAINING.—

''(1) IN GENERAL.—The Secretary shall pay the costs of any on-the-job training of an adversely affected worker that is approved under subsection (a)(1), but the Secretary may pay such costs, notwithstanding any other provision of this section, only if—

''(A) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits);

''(B) such training does not impair existing contracts for services or collective bargaining agreements;

''(C) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained;

''(D) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained;

''(E) the employer has not terminated the employment of any regular employee or otherwise reduced the work force of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker;

''(F) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals;

''(G) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 222;

''(H) the employer is provided reimbursement of not more than 50 percent of the wage rate of the participant, for the cost of providing the training and additional supervision related to the training;

''(I) the duration of such training does not exceed 1 year; and

''(J) the employer has not received payment under subsection (a)(1) with respect to any other on-the-job training provided by such employer which failed to meet the requirements of subparagraphs (A), (B), (C), (D), (E), and (F).

''(2) SUPPLEMENTARY TRAINING.—An on-the-job training program approved under this

section may include, as a component of such program, the provision of training with a provider other than the employer that is not provided on-the-job and is designed to enhance the occupational skills of the worker. The costs of such training shall be subject to the limitation described in subsection (b)(2)(B).

''(g) EFFECT OF APPROVED TRAINING ON ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION.—A worker may not be determined to be ineligible or disqualified for unemployment insurance or program benefits under this subchapter because the individual is in training approved under subsection (a), because of leaving work which is not comparable employment to enter such training, or because of the application to any such week in training of provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work.

''(h) DEFINITION.—In this section, the term 'customized training' means training that is—

''(1) designed to meet the special requirements of an employer or group of employers;

''(2) conducted with a commitment by the employer or group of employers to employ an individual upon successful completion of the training; and

''(3) for which the employer pays for a significant portion of the cost of such training, as determined by the Secretary.''.

(b) CONFORMING AMENDMENTS.—Part II of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2295 et seq.) is amended—

(1) in section 237(b)(2), by striking ''section 236(b)(1) and (2)'' and inserting ''section 236''; and

(2) in subsections (b)(1) and (c)(2) of section 238, by striking ''section 236(b)(1) and (2)'' each place it appears and inserting ''section 236''.

SEC. 123. JOB SEARCH ALLOWANCES.

Section 237(a)(2) of the Trade Act of 1974 (19 U.S.C. 2297(a)(2)) is amended—

(1) in subparagraph (B), by striking ''suitable'' and inserting ''comparable''; and

(2) in subparagraph (C)(ii), by striking '', unless the worker received a waiver under section 231(c)''.

SEC. 124. RELOCATION ALLOWANCES.

Section 238(a)(2) of the Trade Act of 1974 (19 U.S.C. 2298(a)(2)) is amended—

(1) in subparagraph (B), by striking ''suitable'' and inserting ''comparable'';

(2) in subparagraph (D)—

(A) in the heading, by striking ''SUITABLE'' and inserting ''OUT-OF-AREA''; and

(B) in clause (i) to read as follows:

''(i) has obtained employment affording a reasonable expectation of long-term duration in the area in which the worker wishes to relocate and which provides wages that are substantially greater than the wages for the employment that is likely to be available to the worker in the area from which the worker would be relocating; and''; and

(3) in subparagraph (E)(ii), by striking '', unless the worker received a waiver under section 231(c)''.

Subtitle C—General Provisions

SEC. 131. AGREEMENTS WITH STATES.

(a) IN GENERAL.—Subsection (a) of section 239 of the Trade Act of 1974 (19 U.S.C. 2311) is amended—

(1) in the matter preceding clause (1), by striking ''any State agency'' and inserting ''a State agency'';

(2) in clause (2), to read as follows: ''(2) in accordance with subsections (e) and (f), will afford adversely affected workers testing and assessments, career counseling, referral to training and job search programs, and job placement services, and'';

(3) by striking clause (3); and

(4) by redesignating clause (4) as clause (3).

(b) ADMINISTRATION.—Subsection (e) of such section is amended—

(1) in the first sentence, to read as follows: ''Any agreement entered into under this section shall provide for the administration of the provision for reemployment services, training, and supplemental assistance under sections 235 and 236 of this Act by the same State agency responsible for the administration of the State workforce investment program funded under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.) and shall include such terms and conditions as are established by the Secretary in consultation with the States and set forth in such agreement.'';

(2) in the second sentence, by striking ''Any agency'' and inserting ''The agency''; and

(3) by adding at the end the following new sentence: ''The terms and conditions set forth in the agreement shall include at a minimum that—

''(1) adversely affected workers applying for assistance under this chapter shall be co-enrolled in the dislocated worker program authorized under chapter 5 of subtitle B of title I of the Workforce Investment Act of 1998 (29 U.S.C. 2861 et seq.); and

''(2) the services provided under this chapter shall be administered through the one-stop delivery system established under title I of such Act (29 U.S.C. 2801 et seq.).''.

(c) COOPERATING STATE AGENCY.—Subsection (f) of such section is amended—

(1) in paragraph (2), by adding ''and'' at the end;

(2) by striking paragraph (3);

(3) by redesignating paragraph (4) as paragraph (3); and

(4) in paragraph (3) (as redesignated by paragraph (3) of this subsection), by striking ''suitable''.

(d) PERFORMANCE ACCOUNTABILITY.—Such section is further amended by adding at the end the following new subsection:

''(h) PERFORMANCE ACCOUNTABILITY.—

''(1) IN GENERAL.—Any agreement entered into under this section shall include performance measures that the cooperating State or State agency is expected to achieve with respect to the program carried out under this chapter. The performance measures shall consist of indicators of performance and levels of performance applicable to each indicator.

''(2) INDICATORS OF PERFORMANCE.—The indicators of performance shall be—

''(A) entry into employment;

''(B) retention in employment;

''(C) average earnings; and

''(D) such other indicators as the Secretary determines are appropriate.

''(3) LEVELS OF PERFORMANCE.—The levels of performance for each State for the indicators of performance described in paragraph (2) shall be determined by the Secretary, after consultation with the State.

''(4) PERFORMANCE REPORTING.—Any agreement shall also include a requirement that the State annually report to the Secretary the level of performance achieved with respect to each indicator under the program carried out under this chapter in the preceding fiscal year, and the State shall submit such additional reports regarding the performance of programs as the Secretary may require. The Secretary shall make the information contained in the annual reports available to the general public through publication on the Website of the Department of Labor and other appropriate methods and shall provide copies of the reports to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The Secretary shall also publish on the Website of the Department of Labor a list identifying those States that fail to submit reports to the Secretary on a timely basis or fail to submit accurate reports.''.

SEC. 132. AUTHORIZATION OF APPROPRIATIONS; INCENTIVE PAYMENTS TO STATES.

(a) IN GENERAL.—Subsection (a) of section 245 of the Trade Act of 1974 (19 U.S.C. 2317) is amended by striking ''December 31, 2007'' and inserting ''September 30, 2012''.

(b) INCENTIVE PAYMENTS TO STATES.—Such section is further amended by adding at the end the following new subsection:

''(c) INCENTIVE PAYMENTS TO STATES.—If, in the last quarter of any fiscal year, the Secretary determines that the amount of funds needed to make payments for the costs of training under this chapter for such fiscal year will not reach the amount of the limitation described in section 236(b)(1)(A) and funds appropriated to make payments for the costs of such training remain available for obligation, the Secretary may use not more than an amount equal to five percent of the amount of the limitation described in such section 236(b)(1)(A) to award funds to States that the Secretary determines have demonstrated exemplary performance in carrying out the program under this chapter with respect to exceeding the performance levels established pursuant to section 239(h) and with respect to such other factors as the Secretary determines appropriate. Such funds shall be available to the States for the purpose of enhancing the administration of the program which may include improvements to management information systems, targeted outreach, staff training, and enhanced services to participants.''.

(c) CONFORMING AND CLERICAL AMENDMENTS.—

(1) CONFORMING AMENDMENT.—Such section is further amended in the heading by inserting before the period at the end the following: ''**; INCENTIVE PAYMENTS TO STATES**''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by striking the item relating to section 245 and inserting the following:

''Sec. 245. Authorization of appropriations; incentive payments to States.''.

SEC. 133. PHASE-OUT OF DEMONSTRATION PROJECT FOR ALTERNATIVE TRADE ADJUSTMENT ASSISTANCE FOR OLDER WORKERS.

Section 246(b)(1) of the Trade Act of 1974 (19 U.S.C. 2318(b)(1)) is amended by striking ''the date that is 5 years after the date under which such program is implemented by the State'' and inserting ''September 30, 2008''.

SEC. 134. WAGE SUPPLEMENT PROGRAM.

(a) IN GENERAL.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by inserting after section 246 the following new section:

''SEC. 246A. WAGE SUPPLEMENT PROGRAM.

''(a) ESTABLISHMENT.—Beginning on October 1, 2008, the Secretary shall establish a program to provide the benefits described in subsection (b) to an adversely affected worker who meets the eligibility criteria described in subsection (c), including the requirement that such worker be employed for the minimum number of hours per week described in subsection (c)(3).

''(b) BENEFITS.—

''(1) AMOUNT OF PAYMENTS.—A State shall use the funds provided to the State under section 241 to pay an hourly wage supplement to an eligible adversely affected worker for a period not to exceed 2 years, in an amount equal to the difference, if any (but not less than zero) resulting from subtracting the amount described in paragraph (2)(B) from the amount described in paragraph (2)(A).

''(2) FACTORS.—(A) For purposes of paragraph (1), the amount described in this subparagraph is the sum of—

''(i) whichever is the highest of—

''(I) the hourly minimum wage that is applicable to a worker under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), or if such worker is exempt under section 13 of such Act (29 U.S.C. 213), the hourly minimum wage that would be applicable if section 6(a)(1) of such Act (29 U.S.C. 206(a)(1)) were applied; or

''(II) the applicable State or local hourly minimum wage; and

''(ii) $2.40.

''(B) For purposes of paragraph (1), the amount described in this subparagraph is the hourly wage actually paid to such worker.

''(3) HEALTH INSURANCE ELIGIBILITY.—A worker described in subsection (c) who is participating in the program established under subsection (a) is eligible to receive, for a period not to exceed 2 years, a credit for health insurance costs to the extent provided under section 35 of the Internal Revenue Code of 1986.

''(c) ELIGIBILITY FOR WAGE SUPPLEMENT.—A worker in a group that the Secretary has certified as eligible to apply for adjustment assistance under section 223 may elect to receive the benefits described in subsection (b) if such worker—

''(1) is covered by a certification under subchapter A of this chapter;

''(2) meets the requirements of paragraphs (1) and (2) of section 231(a));

''(3) is employed for an average of at least 30 hours per week, which may include employment as part of an apprenticeship program registered under the National Apprenticeship Act (20 U.S.C. 50 et seq.);

''(4) does not return to the employment from which the worker was separated; and

''(5) has not received any payments under section 246 while covered under the same certification as described in paragraph (1).

''(d) EFFECT ON OTHER BENEFITS.—A worker receiving payments under this section shall not be eligible to receive other benefits under this chapter except for training assistance provided under section 236 (provided that such worker otherwise meets the requirements of section 236) or the assistance described in subsection (b)(3). A worker may receive payments under this section during breaks in training that exceed the period described in section 233(e) if the worker otherwise meets the requirements of this section.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by inserting after the item relating to section 246 the following:

''Sec. 246A. Wage supplement program.''.

SEC. 135. DEFINITIONS.

Section 247 of the Trade Act of 1974 (19 U.S.C. 2319) is amended by adding at the end the following new paragraphs:

''(18) The term 'comparable employment' means, with respect to a worker, work of a substantially equal or higher skill level than the worker's past adversely affected employment, and wages for such work at not less than 80 percent of the worker's average weekly wage.

''(19) The term 'adversely affected incumbent worker' means a worker who is a member of a group of workers who have been certified as eligible to apply for adjustment assistance under subchapter A and who has not been separated from adversely affected employment.''.

SEC. 136. CAPACITY-BUILDING GRANTS TO ENHANCE TRAINING FOR WORKERS.

(a) IN GENERAL.—Chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.) is amended by adding at the end the following new section:

''SEC. 250. CAPACITY-BUILDING GRANTS TO ENHANCE TRAINING FOR WORKERS.

''(a) IN GENERAL.—The Secretary may award grants to eligible entities described in subsection (b) to temporarily increase the capacity of such entities, through the activities authorized under subsection (c), to provide training to workers as provided for in section 236.

''(b) ELIGIBLE ENTITIES.—An eligible entity referred to in subsection (a) is—

''(1) a community college (as such term is defined in section 202(a)(2) of the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1998 (20 U.S.C. 2371(a)(2)) that provides training for occupations in demand; or

''(2) a provider of training for occupations in demand that is eligible to receive funds under section 122 of the Workforce Investment Act of 1998 (29 U.S.C. 2842).

''(c) AUTHORIZED ACTIVITIES.—An eligible entity that is awarded a grant under this section shall utilize funds under the grant to expand available training slots and prepare adversely affected workers and adversely affected incumbent workers under this chapter for occupations in demand by conducting such activities as the Secretary may authorize, including—

''(1) the development of education and training curricula, which may be developed in consultation with employers of incumbent workers, local workforce investment boards (as defined in section 117 of the Workforce Investment Act of 1998 (29 U.S.C. 2832)), labor organizations that represent individuals currently employed in occupations in demand for the local area, regional economic development agencies, one-stop operators (as defined in section 101(29) of such Act (29 U.S.C. 2801(29)), community-based organizations, or any other public or private entity that is likely to employ or facilitate the employment of adversely affected workers in occupations in demand;

''(2) the hiring of additional faculty and staff;

''(3) the acquisition of new equipment or the upgrading of existing equipment, which shall be necessary to facilitate the teaching of job skills to adversely affected workers and adversely affected incumbent workers; and

''(4) the development of a program to provide on-the-job training experiences for adversely affected workers in coordination with local employers that have committed to employ adversely affected workers following successful completion of the program.

''(d) APPLICATION.—

''(1) REQUESTS FOR APPLICATIONS.—

''(A) BY THE SECRETARY.—In each fiscal year, and at such times as the Secretary may determine, the Secretary may request applications from eligible entities to carry out activities authorized under this section.

''(B) BY AN ELIGIBLE ENTITY.—At any time, and in such form and manner as the Secretary may prescribe, an eligible entity may recommend that the Secretary initiate a request for capacity building grant applications if the eligible entity believes that there has been or will be a sudden and significant shortage of training slots available to adversely affected workers and adversely affected incumbent workers in a local area.

''(2) INFORMATION REQUIRED FOR APPLICATION.—To be eligible to receive a grant under this section, an applicant shall provide to the Secretary the following information in the application:

''(A) A description of the factors in a local area that have resulted or may result in a significant increase in demand for training slots by adversely affected workers and adversely affected incumbent workers, which may include—

''(i) mass layoffs at firms that are believed to employ a large number of adversely affected workers;

''(ii) imminent closure or relocation of facilities that are believed to employ a large number of adversely affected workers; and

''(iii) prevailing labor market conditions that may have an immediate, measurable adverse employment impact on the employment of adversely affected workers.

''(B) A description of the number of training slots currently available to adversely affected workers and adversely affected incumbent workers, and the number of proposed additional slots to be made available using funds under the grant.

''(C) A description of the potential number of adversely affected workers and adversely affected incumbent workers in the local area who would be able to access increased training slots.

''(D) A description of the commitment made by local employers, labor organizations, and other public or private organizations to assist in the development of training and related curricula for the benefit of adversely affected workers and adversely affected incumbent workers.

''(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2008 through 2012.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Trade Act of 1974 is amended by inserting after the item relating to section 249 the following:

''Sec. 250. Capacity-building grants to enhance training for workers.''.

Subtitle D—Effective Date

SEC. 141. EFFECTIVE DATE.

The amendments made by this title shall take effect beginning 90 days after the date of the enactment of this Act.

TITLE II—OTHER TRADE ADJUSTMENT ASSISTANCE PROGRAMS AND RELATED PROVISIONS

SEC. 201. TECHNICAL ASSISTANCE FOR FIRMS.

Section 253 of the Trade Act of 1974 (19 U.S.C. 2343) is amended by adding at the end the following new subsections:

''(c)(1) Any grant made under subsection (b)(3) shall include performance measures that an intermediary organization is expected to achieve with respect to the program carried out under this chapter. The performance measures shall consist of indicators of performance described in paragraph (2) and levels of performance described in paragraph (3) applicable to each such indicator of performance.

''(2) The indicators of performance referred to in paragraph (1) are the following:

''(A) The extent to which outreach efforts effectively apprise import-impacted firms likely to benefit from the program about resources available under the program.

''(B) The extent to which firms receiving adjustment assistance under section 252 meet or exceed targets to retain or create employment.

''(C) The percentage of workers totally or partially separated from employment that have returned to work or returned to their previous level of employment.

''(D) The extent to which firms receiving adjustment assistance under section 252 meet or exceed targets for maintaining or increasing sales or production.

''(E) Such other indicators of performance as the Secretary may determine are appropriate.

''(3) The levels of performance referred to in paragraph (1) shall be determined by the

Secretary, after consultation with the intermediary organization. In reviewing an intermediary organization's levels of performance, the Secretary shall take into consideration economic conditions affecting the region served by the organization that may affect that performance.

''(4)(A) Any grant made under subsection (b)(3) shall also include a requirement that the intermediary organization submit to the Secretary a report on an annual basis on the levels of performance achieved with respect to each indicator of performance under the program carried out under this chapter in the preceding fiscal year, and such additional reports regarding such indicators of performance as the Secretary may require.

''(B) The Secretary shall make the information contained in the reports described in subparagraph (A) available to the general public through publication on the Website of the Economic Development Administration and other appropriate methods. The Secretary shall provide copies of the reports described in subparagraph (A) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

''(C) The Secretary shall also publish on the Website of the Economic Development Administration a list that identifies those intermediary organizations that fail to submit reports to the Secretary in accordance with subparagraph (A) on a timely basis or fail to submit accurate reports to the Secretary in accordance with subparagraph (A).

''(d) At least once every three years, the Secretary shall provide for an independent evaluation of each intermediary organization receiving assistance under this section to assess the intermediary organization's performance and contribution toward retention and creation of employment. The purpose of the evaluations shall be to determine which intermediary organizations are performing well and merit continued assistance under this section and which intermediary organizations should not receive continued assistance under this section, so that other universities and intermediary organizations that have not previously received assistance under this section may participate in the program carried out under this chapter.''.

SEC. 202. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE FOR FIRMS.

Section 256(b) of the Trade Act of 1974 (19 U.S.C. 2346(b)) is amended—

(1) by striking ''and $4,000,000'' and inserting ''$4,000,000''; and

(2) by inserting after ''October 1, 2007,'' the following: ''$15,000,000 for the 9-month period beginning on January 1, 2008, and $19,000,000 for each of the fiscal years 2009 through 2012,''.

SEC. 203. EXTENSION OF TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.

Section 298(a) of the Trade Act of 1974 (19 U.S.C. 2401g(a)) is amended by adding at the end the following new sentence: ''There are authorized to be appropriated to the Department of Agriculture to carry out this chapter $81,000,000 for the 9-month period beginning on January 1, 2008, and $90,000,000 for each of the fiscal years 2009 through 2012.''.

SEC. 204. JUDICIAL REVIEW.

(a) IN GENERAL.—Section 284(a) of the Trade Act of 1974 (19 U.S.C. 2395(a)) is amended in the first sentence—

(1) by striking ''or authorized representative'' and inserting ''or other duly authorized representative'';

(2) by striking ''aggrieved'' and inserting '', or any of the individuals or entities described in section 221(a)(1)(C), aggrieved (or on behalf of such workers aggrieved)''; and

(3) by striking ''section 223'' and inserting ''section 226''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect beginning 90 days after the date of the enactment of this Act.

SEC. 205. TERMINATION.

Section 285 of the Trade Act of 1974 (19 U.S.C. 2271 note) is amended by striking ''December 31, 2007'' each place it appears and inserting ''September 30, 2012''.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. CREDIT REDUCTION FOR FAILURES RELATING TO CO-ENROLLMENT OF PARTICIPANTS AND PROGRAM PERFORMANCE REPORTS.

(a) IN GENERAL.—Paragraph (3) of section 3302(c) of the Internal Revenue Code of 1986 is amended—

(1) by striking ''(3) If'' and inserting ''(3) (A) Except as provided in subparagraph (B), if'',

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively, and

(3) by adding at the end the following new subparagraph:

''(B) If the Secretary of Labor determines that a State, or State agency, failed to meet the requirements of subsections (e)(1) (relating to the co-enrollment of participants) or (h)(3) (relating to the submission of reports on program performance) of section 239 of the Trade Act of 1974, the Secretary of Labor may direct that, in the case of a taxpayer subject to the unemployment compensation law of such State, the total credits (after applying subsections (a) and (b) and paragraphs (1) and (2) of this section) otherwise allowable under this section for a year during which such State or agency fails to meet those requirements shall (in lieu of reduction under subparagraph (A)) be reduced by 3 percent of the tax imposed with respect to wages paid by such taxpayer during such year which are attributable to such State.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to taxable years beginning after September 30, 2008.

SEC. 302. TAA WAGE SUPPLEMENT PARTICIPANTS ELIGIBILITY FOR CREDIT FOR HEALTH INSURANCE COSTS.

(a) ELIGIBILITY.—Paragraph (1) of section 35(c) of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'' , and by adding after subparagraph (C) the following:

''(D) an eligible TAA wage supplement recipient.''.

(b) ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENT DEFINED.—Subsection (c) of section 35 of such Code is amended by adding after paragraph (4) the following:

''(5) ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENT.—The term 'eligible TAA wage supplement recipient' means, with respect to any month, any individual who—

''(A) is a worker described in section 246A(c) of the Trade Act of 1974 who is participating in the wage supplement program established under section 246A(a) of such Act, and

''(B) is receiving a benefit for such month under section 246A(b) of such Act.

An individual shall continue to be treated as an eligible TAA wage supplement recipient during the first month that such individual would otherwise cease to be an eligible TAA wage supplement recipient by reason of the preceding sentence.''.

(c) QUALIFIED HEALTH INSURANCE.—Subparagraph (J) of section 35(e)(1) of such Code is amended by striking ''or'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', or'' , and by inserting after clause (iii) the following:

''(iv) in the case of an eligible TAA wage supplement recipient, the benefit described in subsection (c)(5)(B).''.

(d) SUBSIDIZED COVERAGE.—Subparagraph (B) of section 35(f)(1) of such Code is amended—

(1) by inserting ''or an eligible TAA wage supplement recipient'' after ''eligible alternative TAA recipient'' in the matter preceding clause (i), and

(2) by inserting ''OR ELIGIBLE TAA WAGE SUPPLEMENT RECIPIENTS'' after ''ELIGIBLE ALTERNATIVE TAA RECIPIENTS'' in the heading.

(e) ADVANCE PAYMENT OF HCTC.—Paragraph (1) of section 7527(d) of such Code is amended by striking ''or an eligible alternative TAA recipient (as defined in section 35(c)(3))'' and inserting '', an eligible alternative TAA recipient (as defined in section 35(c)(3)), or an eligible TAA wage supplement recipient (as defined in section 35(c)(5))''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

SEC. 303. SPECIAL ALLOCATION UNDER NEW MARKETS TAX CREDIT IN CONNECTION WITH TRADE ADJUSTMENT ASSISTANCE.

(a) IN GENERAL.—Section 45D of the Internal Revenue Code of 1986 is amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection:

''(i) SPECIAL ALLOCATIONS IN CONNECTION WITH TRADE ADJUSTMENT ASSISTANCE.—

''(1) ALLOCATIONS.—The new markets tax credit limitation otherwise determined under subsection (f)(1) shall be increased by an amount equal to $500,000,000 for 2008 to be allocated among qualified community development entities to make capital or equity investments in, or loans to, qualified TAA businesses.

''(2) RESTRICTION ON DESIGNATION.—A qualified community development entity receiving an allocation under paragraph (1) may not use such allocation to designate any qualified equity investment under subsection (b)(1)(C) unless substantially all of such investment is used for the purpose described in paragraph (1).

''(3) QUALIFIED TAA BUSINESSES.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified TAA business' means, with respect to any taxable year—

''(i) any qualified active low-income community business (as defined in subsection (d)(2)) which meets the requirements of clause (i) or (ii) of subparagraph (B) for such taxable year, and

''(ii) any specified TAA business.

''(B) SPECIFIED TAA BUSINESS.—The term 'specified TAA business' means, with respect to any taxable year, any corporation (including a nonprofit corporation) or partnership if—

''(i) not less than 40 percent of the individuals hired by such entity during such taxable year were eligible TAA recipients (as defined in section 35(c)(2)) or eligible alternative TAA recipients (as defined in section 35(c)(3)) with respect to any month beginning during the 1-year period ending on the hiring date (as defined in section 51(d)) of such individual,

''(ii) such entity is certified by the Secretary of Commerce as eligible to apply for adjustment assistance under chapter 3 of title II of the Trade Act of 1974 with respect to any portion of the taxable year in which the investment or loan referred to in paragraph (1) is made, and

''(iii) the Secretary determines that such entity will utilize the assistance provided pursuant to this section in a manner consistent with the purposes of subsection (d)(2)(A).

The requirement of clause (i) shall be treated as satisfied for any taxable year if such clause would be satisfied if all individuals

hired by such entity during such taxable year and all preceding taxable years which are not before the taxable year in which the investment or loan referred to in paragraph (1) was made were taken into account.

''(4) REALLOCATIONS.—Subsection (f)(3) shall be applied separately with respect to the amount of the increase under paragraph (1).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to allocations made after December 31, 2007.

SEC. 304. EXPEDITED REEMPLOYMENT DEMONSTRATION PROJECTS.

Title III of the Social Security Act (42 U.S.C. 501 and following) is amended by adding at the end the following:

''DEMONSTRATION PROJECTS

''SEC. 305. (a) The Secretary of Labor may enter into agreements, with States submitting an application described in subsection (b), for the purpose of allowing such States to conduct demonstration projects to test and evaluate measures designed—

''(1) to expedite, such as through the use of a wage insurance program, the reemployment of individuals who establish initial eligibility for unemployment compensation under the State law of such State; or

''(2) to improve the effectiveness of such State in carrying out its State law.

''(b) The Governor of any State desiring to conduct a demonstration project under this section shall submit an application to the Secretary of Labor at such time, in such manner, and including such information as the Secretary of Labor may require. Any such application shall, at a minimum, include—

''(1) a general description of the proposed demonstration project, including the authority (under the laws of the State) for the measures to be tested, as well as the period of time during which such demonstration project would be conducted;

''(2) if a waiver under subsection (c) is requested, the specific aspects of the project to which the waiver would apply and the reasons why such waiver is needed;

''(3) a description of the goals and the expected programmatic outcomes of the demonstration project, including how the project would contribute to the objective described in subsection (a)(1), subsection (a)(2), or both;

''(4) assurances (accompanied by supporting analysis) that the demonstration project would not result in any increased net costs to the State's account in the Unemployment Trust Fund;

''(5) a description of the manner in which the State—

''(A) will conduct an impact evaluation, using a control or comparison group or other valid methodology, of the demonstration project; and

''(B) will determine the extent to which the goals and outcomes described in paragraph (3) were achieved; and

''(6) assurances that the State will provide any reports relating to the demonstration project, after its approval, as the Secretary of Labor may require.

''(c) The Secretary of Labor may waive any of the requirements of section 3304(a)(4) of the Internal Revenue Code of 1986 or of paragraph (1) or (5) of section 303(a), to the extent and for the period the Secretary of Labor considers necessary to enable the State to carry out a demonstration project under this section.

''(d) A demonstration project under this section—

''(1) may be commenced any time after September 30, 2007; and

''(2) may not, under subsection (b), be approved for a period of time greater than 2 years, subject to extension upon request of the Governor of the State involved for such additional period as the Secretary of Labor may agree to, except that in no event may a demonstration project under this section be conducted after the end of the 5-year period beginning on the date of the enactment of this section.

''(e) The Secretary of Labor shall, in the case of any State for which an application is submitted under subsection (b)—

''(1) notify the State as to whether such application has been approved or denied within 90 days after receipt of a complete application, and

''(2) provide public notice of the decision within 10 days after providing notification to the State in accordance with paragraph (1).

Public notice under paragraph (2) may be provided through the Internet or other appropriate means. Any application under this section that has not been approved within such 90 days shall be treated as denied.

''(f) The Secretary of Labor may terminate a demonstration project under this section if the Secretary determines that the State has not complied with the terms and conditions of the project.''.

SEC. 305. INCREASE IN PERCENTAGE OF TAA AND PBGC HEALTH INSURANCE TAX CREDIT.

(a) IN GENERAL.—Subsection (a) of section 35 of the Internal Revenue Code of 1986 is amended by striking ''65 percent'' and inserting ''70 percent''.

(b) CONFORMING AMENDMENT.—Subsection (b) of section 7527 of such Code is amended by striking ''65 percent'' and inserting ''70 percent''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to months beginning after December 31, 2007, in taxable years ending after such date.

SEC. 306. COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.

(a) IN GENERAL.—Section 6402 of the Internal Revenue Code (relating to authority to make credits or refunds) is amended by redesignating subsections (f) through (k) as subsections (g) through (l), respectively, and by inserting after subsection (e) the following new subsection:

''(f) COLLECTION OF UNEMPLOYMENT COMPENSATION DEBTS.—

''(1) IN GENERAL.—Upon receiving notice from any State that a named person owes a covered unemployment compensation debt to such State, the Secretary shall, under such conditions as may be prescribed by the Secretary—

''(A) reduce the amount of any overpayment payable to such person by the amount of such covered unemployment compensation debt;

''(B) pay the amount by which such overpayment is reduced under subparagraph (A) to such State and notify such State of such person's name, taxpayer identification number, address, and the amount collected; and

''(C) notify the person making such overpayment that the overpayment has been reduced by an amount necessary to satisfy a covered unemployment compensation debt.

If an offset is made pursuant to a joint return, the notice under subparagraph (B) shall include the names, taxpayer identification numbers, and addresses of each person filing such return and the notice under subparagraph (C) shall include information related to the rights of a spouse of a person subject to such an offset.

''(2) PRIORITIES FOR OFFSET.—Any overpayment by a person shall be reduced pursuant to this subsection—

''(A) after such overpayment is reduced pursuant to—

''(i) subsection (a) with respect to any liability for any internal revenue tax on the part of the person who made the overpayment;

''(ii) subsection (c) with respect to past-due support; and

''(iii) subsection (d) with respect to any past-due, legally enforceable debt owed to a Federal agency; and

''(B) before such overpayment is credited to the future liability for any Federal internal revenue tax of such person pursuant to subsection (b).

If the Secretary receives notice from a State or States of more than one debt subject to paragraph (1) or subsection (e) that is owed by a person to such State or States, any overpayment by such person shall be applied against such debts in the order in which such debts accrued.

''(3) NOTICE; CONSIDERATION OF EVIDENCE.—No State may take action under this subsection until such State—

''(A) notifies the person owing the covered unemployment compensation debt that the State proposes to take action pursuant to this section;

''(B) provides such person at least 60 days to present evidence that all or part of such liability is not legally enforceable;

''(C) considers any evidence presented by such person and determines that an amount of such debt is legally enforceable; and

''(D) satisfies such other conditions as the Secretary may prescribe to ensure that the determination made under subparagraph (C) is valid and that the State has made reasonable efforts to obtain payment of such covered unemployment compensation debt.

''(4) COVERED UNEMPLOYMENT COMPENSATION DEBT.—For purposes of this subsection, the term 'covered unemployment compensation debt' means—

''(A) a past-due debt for erroneous payment of unemployment compensation which has become final under the law of a State certified by the Secretary of Labor pursuant to section 3304 and which remains uncollected;

''(B) contributions due to the unemployment fund of a State for which the State has determined the person to be liable; and

''(C) any penalties and interest assessed on such debt.

''(5) REGULATIONS.—

''(A) IN GENERAL.—The Secretary may issue regulations prescribing the time and manner in which States must submit notices of covered unemployment compensation debt and the necessary information that must be contained in or accompany such notices. The regulations may specify the minimum amount of debt to which the reduction procedure established by paragraph (1) may be applied.

''(B) FEE PAYABLE TO SECRETARY.—The regulations may require States to pay a fee to the Secretary, which may be deducted from amounts collected, to reimburse the Secretary for the cost of applying such procedure. Any fee paid to the Secretary pursuant to the preceding sentence shall be used to reimburse appropriations which bore all or part of the cost of applying such procedure.

''(C) SUBMISSION OF NOTICES THROUGH SECRETARY OF LABOR.—The regulations may include a requirement that States submit notices of covered unemployment compensation debt to the Secretary via the Secretary of Labor in accordance with procedures established by the Secretary of Labor. Such procedures may require States to pay a fee to the Secretary of Labor to reimburse the Secretary of Labor for the costs of applying this subsection. Any such fee shall be established in consultation with the Secretary of the Treasury. Any fee paid to the Secretary of Labor may be deducted from amounts collected and shall be used to reimburse the appropriation account which bore all or part of the cost of applying this subsection.

''(6) ERRONEOUS PAYMENT TO STATE.—Any State receiving notice from the Secretary that an erroneous payment has been made to such State under paragraph (1) shall pay promptly to the Secretary, in accordance with such regulations as the Secretary may prescribe, an amount equal to the amount of such erroneous payment (without regard to whether any other amounts payable to such State under such paragraph have been paid to such State).''.

(b) DISCLOSURE OF CERTAIN INFORMATION TO STATES REQUESTING REFUND OFFSETS FOR LEGALLY ENFORCEABLE STATE UNEMPLOYMENT COMPENSATION DEBT.—

(1) GENERAL RULE.—Paragraph (3) of section 6103(a) of such Code is amended by inserting ''(10),'' after ''(6),''.

(2) DISCLOSURE TO DEPARTMENT OF LABOR AND ITS AGENT.—Paragraph (10) of section 6103(l) of such Code is amended—

(A) by striking ''(c), (d), or (e)'' each place it appears in the heading and text and inserting ''(c), (d), (e), or (f)'',

(B) in subparagraph (A) by inserting '', to officers and employees of the Department of Labor and its agent for purposes of facilitating the exchange of data in connection with a request made under subsection (f)(5) of section 6402,'' after ''section 6402'', and

(C) in subparagraph (B) by inserting '', and any agents of the Department of Labor,'' after ''agency'' the first place it appears.

(3) SAFEGUARDS.—Paragraph (4) of section 6103(p) of such Code is amended—

(A) in the matter preceding subparagraph (A), by striking ''(l)(16),'' and inserting ''(l)(10), (16),'';

(B) in subparagraph (F)(i), by striking ''(l)(16),'' and inserting ''(l)(10), (16),''; and

(C) In the matter following subparagraph (f)(iii)—

(i) in each of the first two places it appears, by striking ''(l)(16),'' and inserting ''(l)(10), (16),'';

(ii) by inserting ''(10),'' after ''paragraph (6)(A),''; and

(iii) in each of the last two places it appears, by striking ''(l)(16)'' and inserting ''(l)(10) or (16)''.

(c) EXPENDITURES FROM STATE FUND.—Section 3304(a)(4) of such Code is amended—

(1) in subparagraph (E), by striking ''and'' after the semicolon;

(2) in subparagraph (F), by inserting ''and'' after the semicolon; and

(3) by adding at the end the following new subparagraph:

''(G) WITH RESPECT TO AMOUNTS OF COVERED UNEMPLOYMENT COMPENSATION DEBT (AS DEFINED IN SECTION 6402(F)(4)) COLLECTED UNDER SECTION 6402(F).—

''(i) amounts may be deducted to pay any fees authorized under such section; and

''(ii) the penalties and interest described in section 6402(f)(4)(B) may be transferred to the appropriate State fund into which the State would have deposited such amounts had the person owing the debt paid such amounts directly to the State;''.

(d) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 6402 of such Code is amended by striking ''(c), (d), and (e),'' and inserting ''(c), (d), (e), and (f)''.

(2) Paragraph (2) of section 6402(d) of such Code is amended by striking ''and before such overpayment is reduced pursuant to subsection (e)'' and inserting ''and before such overpayment is reduced pursuant to subsections (e) and (f)''.

(3) Paragraph (3) of section 6402(e) of such Code is amended in the last sentence by inserting ''or subsection (f)'' after ''paragraph (1)''.

(4) Subsection (g) of section 6402 of such Code, as redesignated by subsection (a), is amended by striking ''(c), (d), or (e)'' and inserting ''(c), (d), (e), or (f)''.

(5) Subsection (i) of section 6402 of such Code, as redesignated by subsection (a), is amended by striking ''subsection (c) or (e)'' and inserting ''subsection (c), (e), or (f)''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to refunds payable under section 6402 of the Internal Revenue Code of 1986 on or after the date of enactment of this Act.

SEC. 307. OFFSETS.

(a) TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.—Subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 is amended by striking ''115 percent'' and inserting ''127.50 percent''.

(b) CUSTOMS USER FEES.—Section 13031(j)(3)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)(A)) is amended by striking ''October 21, 2014'' and inserting ''February 17, 2015''.

(c) TIMEFRAME FOR MEDICARE PART A AND B PAYMENTS.—Notwithstanding sections 1816(c) and 1842(c)(2) of the Social Security Act or any other provision of law—

(1) any payment from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) or from the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t) for claims submitted under part A or B of title XVIII of such Act for items and services furnished under such part A or B, respectively, that would otherwise be payable during the period beginning on September 22, 2012, and ending on September 30, 2012, shall be paid on the first business day of October 2012; and

(2) no interest or late penalty shall be paid to an entity or individual for any delay in a payment by reason of the application of paragraph (1).

TITLE IV—WORKFORCE INVESTMENT IMPROVEMENT

SEC. 401. SHORT TITLE.

This title may be cited as the ''Workforce Investment Improvement Act of 2007''.

SEC. 402. REFERENCES.

Except as otherwise expressly provided, wherever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Workforce Investment Act of 1998 (20 U.S.C. 9201 et seq.).

Subtitle A—Amendments to Title I of the Workforce Investment Act of 1998

SEC. 411. DEFINITIONS.

Section 101 (29 U.S.C. 2801) is amended—

(1) by striking paragraphs (13) and (24) and redesignating paragraphs (1) through (12) as paragraphs (3) through (14), and paragraphs (14) through (23) as paragraphs (15) through (24), respectively;

(2) by inserting after ''In this title:'' the following new paragraphs:

''(1) ACCRUED EXPENDITURES.—The term 'accrued expenditures' means charges incurred by recipients of funds under this title for a given period requiring the provision of funds for goods or other tangible property received; services performed by employees, contractors, subgrantees, subcontractors, and other payees; and other amounts becoming owed under programs assisted under this title for which no current services or performance is required, such as annuities, insurance claims, and other benefit payments.

''(2) ADMINISTRATIVE COSTS.—The term 'administrative costs' means expenditures incurred by State and local workforce investment boards, direct recipients (including State grant recipients under subtitle B and recipients of awards under subtitle D), local grant recipients, local fiscal agents or local grant subrecipients, and one-stop operators in the performance of administrative functions and in carrying out activities under this title which are not related to the direct provision of workforce investment services (including services to participants and employers). Such costs include both personnel and non-personnel and both direct and indirect.'';

(3) in paragraph (6) (as so redesignated), by inserting ''(or such other level as the Governor may establish)'' after ''8th grade level'';

(4) in paragraph (10)(C) (as so redesignated), by striking ''not less than 50 percent of the cost of the training'' and inserting ''a significant portion of the cost of training, as determined by the local board (or, in the case of an employer in multiple local areas in the State, as determined by the Governor), taking into account the size of the employer and such other factors as the local board determines to be appropriate''; and

(5) in paragraph (11) (as so redesignated)—

(A) in subparagraph (A)(ii)(II), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(B) in subparagraph (B)(iii), by striking ''intensive services described in section 134(d)(3)'' and inserting ''work ready services described in section 134(c)(3)(M) through (U)'';

(C) in subparagraph (C), by striking ''or'' after the semicolon;

(D) in subparagraph (D), by striking the period and inserting ''; or''; and

(E) by adding at the end the following:

''(E)(i) is the spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code) who has experienced a loss of employment as a direct result of relocation to accommodate a permanent change in duty station of such member; or

''(ii) is the spouse of a member of the Armed Forces on active duty who meets the criteria described in paragraph (12)(B).'';

(6) in paragraph (12)(A) (as redesignated)—

(A) by striking ''and'' after the semicolon and inserting ''or'';

(B) by striking ''(A)'' and inserting ''(A)(i)''; and

(C) by adding at the end the following:

''(ii) is the dependent spouse of a member of the Armed Forces on active duty for a period of more than 30 days (as defined in section 101(d)(2) of title 10, United States Code) whose family income is significantly reduced because of a deployment (as defined in section 991(b) of title 10, United States Code, or pursuant to paragraph (4) of such section), a call or order to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, a permanent change of station, or the service-connected (as defined in section 101(16) of title 38, United States Code) death or disability of the member; and'';

(7) in paragraph (13) (as so redesignated), by inserting ''or regional'' after ''local'' each place it appears;

(8) in paragraph (14) (as so redesignated)—

(A) in subparagraph (A), by striking ''section 122(e)(3)'' and inserting ''section 122''; and

(B) by striking subparagraph (B), and inserting the following:

''(B) work ready services, means a provider who is identified or awarded a contract as described in section 134(c)(3);''.

(9) in paragraph (25)—

(A) in subparagraph (B), by striking ''higher of—'' and all that follows through clause (ii) and inserting ''poverty line for an equivalent period;''; and

(B) by redesignating subparagraphs (D) through (F) as subparagraphs (E) through

(G), respectively, and inserting after subparagraph (C) the following:

''(D) receives or is eligible to receive free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);'';

(10) in paragraph (32) by striking ''the Republic of the Marshall Islands, the Federated States of Micronesia,''; and

(11) by striking paragraph (33) and redesignating paragraphs (34) through (53) as paragraphs (33) through (52), respectively.

SEC. 412. PURPOSE.

Section 106 (29 U.S.C. 2811) is amended by inserting at the end the following: ''It is also the purpose of this subtitle to provide workforce investment activities in a manner that promotes the informed choice of participants and actively involves participants in obtaining training services that will increase their skills and improve their employment outcomes.''.

SEC. 413. STATE WORKFORCE INVESTMENT BOARDS.

(a) MEMBERSHIP.—

(1) IN GENERAL.—Section 111(b) (29 U.S.C. 2821(b)) is amended—

(A) by amending paragraph (1)(C) to read as follows:

''(C) representatives appointed by the Governor, who are—

''(i)(I) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners;

''(II) in any case in which no lead State agency official has responsibility for such a program or activity, a representative in the State with expertise relating to such program or activity; and

''(III) if not included under subclause (I), the director of the State unit, defined in section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 705(8)(B)) except that in a State that has established 2 or more designated State units to administer the vocational rehabilitation program, the board representative shall be the director of the designated State unit that serves the most individuals with disabilities in the State;

''(ii) the State agency officials responsible for economic development;

''(iii) representatives of business in the State who—

''(I) are owners of businesses, chief executive or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority, including members of local boards described in section 117(b)(2)(A)(i);

''(II) represent businesses with employment opportunities that reflect employment opportunities in the State; and

''(III) are appointed from among individuals nominated by State business organizations and business trade associations;

''(iv) chief elected officials (representing both cities and counties, where appropriate);

''(v) one or more representatives of labor organizations, who have been nominated by State labor federations or labor organizations within the State; and

''(vi) such other representatives and State agency officials as the Governor may designate.''; and

(B) in paragraph (3), by striking ''paragraph (1)(C)(i)'' and inserting ''paragraph (1)(C)(iii)''.

(2) CONFORMING AMENDMENT.—Section 111(c) (29 U.S.C. 2811(c)) is amended by striking ''subsection (b)(1)(C)(i)'' and inserting ''subsection (b)(1)(C)(iii)''.

(b) FUNCTIONS.—Section 111(d) (29 U.S.C. 2811(d)) is amended—

(1) in paragraph (2), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(2) by amending paragraph (3) to read as follows:

''(3) development and review of statewide policies affecting the integrated provision of services through the one-stop delivery system described in section 121 within the State, including—

''(A) the development of objective criteria and procedures for, and the issuance of, certifications of one-stop centers;

''(B) the criteria for the allocation of one-stop center infrastructure funding under section 121(h), and oversight of the use of such funds;

''(C) policies relating to the appropriate roles and contributions of one-stop partner programs within the one-stop delivery system, including approaches to facilitating equitable and efficient cost allocation in the one-stop delivery system, consistent with section 121;

''(D) strategies for providing effective outreach to individuals and employers who could benefit from services provided through the one-stop delivery system; and

''(E) strategies for technology improvements to facilitate access to services provided through the one-stop delivery system, in remote areas, and for individuals with disabilities, which may be utilized throughout the State;

''(F) identification and dissemination of information on best practices for effective operation of one-stop centers, including use of innovative business outreach, partnerships, and service delivery strategies, including for hard-to-serve populations; and

''(G) carrying out of such other matters as may promote statewide objectives for, and enhance the performance of, the one-stop delivery system;'';

(3) in paragraph (4), by inserting ''and the development of State criteria relating to the appointment and certification of local boards under section 117'' after ''section 116'';

(4) in paragraph (5), by striking ''128(b)(3)(B) and 133(b)(3)(B)'' and inserting ''sections 128(b)(3) and 133(b)(3)''; and

(5) in paragraph (8)—

(A) by striking ''employment statistics system'' and inserting ''workforce and labor market information system''; and

(B) by striking ''and'' after the semicolon;

(6) in paragraph (9)—

(A) by striking ''section 503'' and inserting ''section 136(i)''; and

(B) by striking the period and inserting ''; and''; and

(7) by inserting the following new paragraph after paragraph (9):

''(10) reviewing and providing comment on the State plans of all one-stop partner programs, where applicable, in order to provide effective strategic leadership in the development of a high-quality, comprehensive statewide workforce investment system.''.

(c) ELIMINATION OF ALTERNATIVE ENTITY AND PROVISION OF AUTHORITY TO HIRE STAFF.—Section 111(e) (29 U.S.C. 2821(e)) is amended to read as follows:

''(e) AUTHORITY TO HIRE STAFF.—The State board may hire staff to assist in carrying out the functions described in subsection (d).''.

(d) CONFLICT OF INTEREST.—Section 111(f)(1) (29 U.S.C. 2821(f)(1)) is amended by inserting ''or participate in action taken'' after ''vote''.

(e) SUNSHINE PROVISION.—Section 111(g) (29 U.S.C. 2821(g)) is amended—

(1) by inserting '', and modifications to the State plan,'' after ''State plan'' ; and

(2) by inserting '', and modifications to the State plan'' after ''the plan''.

SEC. 414. STATE PLAN.

(a) PLANNING CYCLE.—Section 112(a) (29 U.S.C. 2822(a)) is amended by striking ''5-year strategy'' and inserting ''2-year strategy''.

(b) CONTENTS.—Section 112(b) (29 U.S.C. 2822(b)) is amended—

(1) by amending paragraph (7) to read as follows:

''(7) a description of the State criteria for determining the eligibility of training providers in accordance with section 122, including how the State will take into account the performance of providers and whether the training programs relate to occupations that are in demand;'';

(2) in paragraph (8)—

(A) in subparagraph (A)—

(i) in clause (ix), by striking ''and'' after the semicolon;

(ii) by adding the following new clause after clause (x):

''(xi) programs authorized under title II of the Social Security Act (42 U.S.C. 401 et seq.) (related to Federal old-age, survivors, and disability insurance benefits), title XVI of such Act (42 U.S.C. 1381 et seq.) (relating to supplemental security income), title XIX of such Act (42 U.S.C. 1396 et seq.) (relating to Medicaid), and title XX of such Act (42 U.S.C. 1397 et seq.) (relating to block grants to States for social services), programs authorized under title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796 et seq.), and programs carried out by State agencies relating to mental retardation and developmental disabilities; and'';

(B) by amending subparagraph (B) to read as follows:

''(B) a description of common data collection and reporting processes used for the programs and activities described in subparagraph (A) that are one-stop partners, including assurances that such processes utilize quarterly wage records for performance measures relating to entry into employment, retention in employment, and average earnings that are applicable to such programs or activities, or, if such records are not being used, an identification of the barriers to such use and a description of how the State will address such barriers within one year of the approval of the plan;''; and

(3) in paragraph (11), by inserting '', including controls and procedures to ensure that the limitations on the costs of administration are not exceeded''.

(4) in paragraph (12)(A), by striking ''sections 128(b)(3)(B) and 133(b)(3)(B)'' and inserting ''sections 128(b)(3) and 133(b)(3)'';

(5) in paragraph (14), by striking ''section 134(c)'' and inserting ''section 121(e)'';

(6) in paragraph (17)(A)—

(A) in clause (iii) by striking ''and'';

(B) by amending clause (iv) to read as follows:

''(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers), low income individuals (including recipients of public assistance), individuals with limited English proficiency, homeless individuals, individuals training for nontraditional employment, and other individuals with multiple barriers to employment (including older individuals); and''; and

(C) by inserting after clause (iv) the following:

''(v) how the State will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 note; relating to community-based alternatives for individuals with disabilities) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures established under section 136, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973; and'';

(7) in paragraph (17)(B), by striking ''to the extent practicable'' and inserting ''in accordance with the requirements of the Jobs for Veterans Act (PL 107–288)'';

(8) in paragraph (18)(D), by striking ''youth opportunity grants'' and inserting ''youth challenge grants''; and

(9) by adding at the end the following new paragraphs:

''(19) a description of the process and methodology for determining one-stop partner program contributions for the cost of the infrastructure of one-stop centers under section 121(h)(1) and of the formula for allocating such infrastructure funds to local areas under section 121(h)(3);

''(20) a description of the strategies and programs providing outreach to businesses, identifying workforce needs of businesses in the State, and ensuring that such needs will be met (including the needs of small businesses), which may include—

''(A) implementing innovative programs and strategies designed to meet the needs of all businesses in the State, including small businesses, which may include incumbent worker training programs, sectoral and industry cluster strategies, regional skills alliances, career ladder programs, utilization of effective business intermediaries, and other business services and strategies that better engage employers in workforce investment activities and make the statewide workforce investment system more relevant to the needs of State and local businesses, consistent with the objectives of this title; and

''(B) providing incentives and technical assistance to assist local areas in more fully engaging all employers, including small employers, in local workforce investment activities, to make the workforce investment system more relevant to the needs of area businesses, and to better coordinate workforce investment, economic development, and postsecondary education and training efforts to contribute to the economic wellbeing of the local area and region, as determined appropriate by the local board;

''(21) a description of how the State will utilize technology to facilitate access to services in remote areas which may be utilized throughout the State;

''(22) a description of the State strategy and assistance to be provided for encouraging regional cooperation within the State and across State borders as appropriate; and

''(23) a description of the actions that will be taken by the State to foster communication and partnerships with non-profit organizations (including community, faith-based, and philanthropic organizations) that provide employment-related, training, and complementary services, in order to enhance the quality and comprehensiveness of services available to participants under this title.''.

(c) MODIFICATION TO PLAN.—Section 112(d) (29 U.S.C. 2822(d)) is amended by striking ''5-year period'' and inserting ''2-year period''.

SEC. 415. LOCAL WORKFORCE INVESTMENT AREAS.

(a) DESIGNATION OF AREAS.—

(1) CONSIDERATIONS.—Section 116(a)(1)(B) (29 U.S.C. 2831(a)(1)(B)) is amended by adding at the end the following clause:

''(vi) The extent to which such local areas will promote efficiency in the administration and provision of services.''.

(2) AUTOMATIC DESIGNATION.—Section 116(a)(2) (29 U.S.C. 2831(a)(2)) is amended to read as follows:

''(2) AUTOMATIC DESIGNATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) of this paragraph and subsection (b), the Governor shall approve a request for designation as a local area from—

''(i) any unit of general local government with a population of 500,000 or more; and

''(ii) an area served by a rural concentrated employment program grant recipient that served as a service delivery area or substate area under the Job Training Partnership Act (29 U.S.C. 1501 et seq.), for the 2-year period covered by a State plan under section 112 if such request is made not later than the date of the submission of the State plan.

''(B) CONTINUED DESIGNATION BASED ON PERFORMANCE.—The Governor may deny a request for designation submitted pursuant to subparagraph (A) if such unit of government was designated as a local area for the preceding 2-year period covered by a State plan and the Governor determines that such local area did not perform successfully during such period.''.

(b) SINGLE LOCAL AREA STATES.—Section 116(b) (29 U.S.C. 2831(b)) is amended to read as follows:

''(b) SINGLE LOCAL AREA STATES.—

''(1) CONTINUATION OF PREVIOUS DESIGNATION.—Notwithstanding subsection (a), the Governor of any State that was a single local area for purposes of this title as of July 1, 2007, may continue to designate the State as a single local area for purposes of this title if the Governor identifies the State as a local area in the State plan under section 112(b)(5).

''(2) NEW DESIGNATION.—The Governor of a State not described in paragraph (1) may designate the State as a single local area if, prior to the submission of the State plan or modification to such plan so designating the State, no local area meeting the requirements for automatic designation under subsection (a) requests such designation as a separate local area.

''(3) EFFECT ON LOCAL PLAN.—In any case in which the local area is the State pursuant to this subsection, the local plan under section 118 shall be submitted to the Secretary for approval as part of the State plan under section 112.''.

(c) REGIONAL PLANNING.—Section 116(c)(1) (29 U.S.C. 2831(c)(1)) is amended by adding at the end the following: ''The State may require the local boards for the designated region to prepare a single regional plan that incorporates the elements of the local plan under section 118 and that is submitted and approved in lieu of separate local plans under such section.''.

SEC. 416. LOCAL WORKFORCE INVESTMENT BOARDS.

(a) COMPOSITION.—Section 117(b)(2) (29 U.S.C. 2832(b)(2)) is amended—

(1) in subparagraph (A)—

(A) in clause (i)(II), by inserting '', businesses that are in the leading industries in the local area, and large and small businesses in the local area'' after ''local area'';

(B) by amending clause (ii) to read as follows:

''(ii) a superintendent of the local secondary school system and the president or chief executive officer of a postsecondary educational institution serving the local area (including community colleges, where such entities exist);'';

(C) in clause (iii)—

(i) by striking ''representatives'' and inserting ''one or more representatives''; and

(ii) by inserting ''or by labor organizations in the local area'' after ''federations'';

(D) in clause (iv)—

(i) by striking ''representatives'' and inserting ''one or more representatives''; and

(ii) by striking the semicolon and inserting ''and faith-based organizations; and'';

(E) in clause (v) by inserting ''one or more'' before ''representatives''; and

(F) by striking clause (vi); and

(2) in subparagraph (B), by striking the period and inserting ''; and''; and

(3) by adding at the end the following subparagraph:

''(C) except for the individuals described in subparagraph(A)(ii), shall not include any individual who is employed by an entity receiving funds for the provision of services under chapters 4 or 5.''.

(b) AUTHORITY OF BOARD MEMBERS.—Section 117(b)(3) (29 U.S.C. 2832(b) is amended—

(1) in the heading, by inserting ''**AND REPRESENTATION**'' after ''**MEMBERS**''; and

(2) by adding at the end the following: ''The members of the board shall represent diverse geographic sections within the local area.''.

(c) FUNCTIONS.—Section 117(d) (29 U.S.C. 2832(d)) is amended—

(1) in paragraph (2)(B), by striking ''by awarding grants'' and all that follows through ''youth council'';

(2) by striking paragraph (2)(D) and inserting the following:

''(D) IDENTIFICATION OF ELIGIBLE PROVIDERS OF WORK READY SERVICES.—If the one-stop operator does not provide the work ready services described in section 134(c)(3)(M) through (U) in the local area, the local board shall identify eligible providers of such services in the local area by awarding contracts.'';

(3) in paragraph (3)(B) by striking clause (ii) and inserting the following:

''(ii) STAFF.—The local board may employ staff to assist in carrying out the functions described in this subsection.'';

(4) in paragraph (4) by inserting '', and ensure the appropriate use and management of the funds provided under this title for such programs, activities, and system'' after ''area'';

(5) in paragraph (6)—

(A) by striking ''EMPLOYMENT STATISTICS SYSTEM'' and inserting ''WORKFORCE AND LABOR MARKET INFORMATION SYSTEM''; and

(B) by striking ''employment statistics system'' and inserting ''workforce and labor market information system'';

(6) by amending paragraph (8) to read as follows:

''(8) CONVENING, BROKERING, AND LEVERAGING.—The local board shall support a comprehensive workforce investment system for the local area and promote the participation by private sector employers, service providers, and other stakeholders in such system. The Board shall ensure the effective provision, through the system, of convening, brokering, and leveraging activities, through intermediaries such as the one-stop operator in the local area or through other organizations, to assist such employers in meeting hiring needs. Such activities may include—

''(A) convening private sector employers, including small employers, labor, economic development, and education leaders in the area to align system missions and services, and to identify and meet the employment, education, and skills training needs of the local area in support of regional and local economic growth strategies;

''(B) providing leadership in the design and implementation of a comprehensive workforce development system that extends beyond those programs authorized under title I of this Act (including programs identified in section 121(b)) for the local area;

''(C) brokering relationships and service arrangements across system stakeholders and partners; and

''(D) leveraging resources other than those provided under title I of this Act, including public and private resources, to significantly expand resources available for employment and training activities identified as necessary in the local area.'';

(7) by adding at the end the following:

''(9) TECHNOLOGY IMPROVEMENTS.—The local board shall develop strategies for technology improvements to facilitate access to services, in remote areas, for services authorized under this subtitle and carried out in the local area.''.

(d) LIMITATIONS.—Section 117(f) (29 U.S.C. 2832(f)) is amended by striking paragraph (2) and inserting the following:

''(2) WORK READY SERVICES, DESIGNATION, OR CERTIFICATION AS ONE-STOP OPERATORS.—A local board may provide work ready services described in section (c)(d)(2) through a one-stop delivery system described in section 121 or be designated or certified as a one-stop operator only with the agreement of the chief elected official and the Governor.''.

(e) CONFLICT OF INTEREST.—Section 117(g)(1) (29 U.S.C. 2832(g)(1)) is amended by inserting ''or participate in action taken'' after ''vote''.

(f) AUTHORITY TO ESTABLISH COUNCILS AND ELIMINATION OF REQUIREMENT FOR YOUTH COUNCILS.—Section 117(h) (29 U.S.C. 2832(h)) is amended to read as follows:

''(h) ESTABLISHMENT OF COUNCILS.—The local board may establish councils to provide information and advice to assist the local board in carrying out activities under this title. Such councils may include a council composed of one-stop partners to advise the local board on the operation of the one-stop delivery system, a youth council composed of experts and stakeholders in youth programs to advise the local board on activities for youth, and such other councils as the local board determines are appropriate.''.

(g) REPEAL OF ALTERNATIVE ENTITY PROVISION.—Section 117 (29 U.S.C. 2832) is further amended by striking subsection (i).

SEC. 417. LOCAL PLAN.

(a) PLANNING CYCLE.—Section 118(a) (29 U.S.C. 2833(a)) is amended by striking ''5-year'' and inserting ''2-year''.

(b) CONTENTS.—Section 118(b) (29 U.S.C. 2833(b)) is amended—

(1) by amending paragraph (2) to read as follows:

''(2) a description of the one-stop delivery system to be established or designated in the local area, including a description of how the local board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers and participants;'';

(2) in paragraph (4)—

(A) by striking ''and dislocated worker''; and

(B) by inserting before the semicolon '', including a description of how the local area will implement the requirements of section 134(c)(4)(G) relating to ensuring that training services are linked to occupations that are in demand'';

(3) in paragraph (5), by striking ''statewide rapid response activities'' and inserting ''statewide activities'';

(4) in paragraph (9), by striking ''; and'' and inserting a semicolon; and

(5) by redesignating paragraph (10) as paragraph (13) and inserting after paragraph (9) the following:

''(10) a description of the strategies and services that will be initiated in the local area to more fully engage all employers, including small employers, in workforce investment activities, to make the workforce investment system more relevant to the needs of area businesses, and to better coordinate workforce investment and economic development efforts, which may include the implementation of innovative initiatives such as incumbent worker training programs, sectoral and industry cluster strategies, regional skills alliance initiatives, career ladder programs, utilization of effective business intermediaries, and other business services and strategies designed to meet the needs of area employers and contribute to the economic well-being of the local area, as determined appropriate by the local board, consistent with the objectives of this title;

''(11) a description of how the local board will facilitate access to services provided through the one-stop delivery system involved in remote areas, including facilitating access through the use of technology;

''(12) how the local area will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 *note*) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973; and''.

SEC. 418. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) ONE-STOP PARTNERS.—

(1) REQUIRED PARTNERS.—Section 121(b)(1) (29 U.S.C. 2841(b)(1)) is amended—

(A) by striking subparagraph (A) and inserting the following:

''(A) ROLES AND RESPONSIBILITIES OF ONE-STOP PARTNERS.—Each entity that carries out a program or activities described in subparagraph (B) shall—

''(i) provide access through the one-stop delivery system to the programs and activities carried out by the entity, including making the work ready services described in section 134(d)(2) that are applicable to the program of the entity available at the one-stop centers (in addition to any other appropriate locations);

''(ii) use a portion of the funds available to the program of the entity to maintain the one-stop delivery system, including payment of the infrastructure costs of one-stop centers in accordance with subsection (h);

''(iii) enter into a local memorandum of understanding with the local board relating to the operation of the one-stop system that meets the requirements of subsection (c);

''(iv) participate in the operation of the one-stop system consistent with the terms of the memorandum of understanding, the requirements of this title, and the requirements of the Federal laws authorizing the programs carried out by the entity; and

''(v) provide representation on the State board to the extent provided under section 111.'';

(B) in subparagraph (B)—

(i) by striking clauses (ii) and (v);

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and by redesignating clauses (vi) through (xii) as clauses (iv) through (x), respectively;

(iii) in clause (ix) (as so redesignated), by striking ''and'' at the end;

(iv) in clause (x) (as so redesignated), by striking the period and inserting ''; and''; and

(v) by inserting after clause (x)(as so redesignated) the following:

''(xi) programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), subject to subparagraph (C); and

''(xii) programs authorized under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)), subject to subparagraph (C).''; and

(C) by adding after subparagraph (B) the following:

''(C) DETERMINATION BY THE GOVERNOR.—The program referred to in clauses (xi) and (xii) of subparagraph (B) shall be included as a required partner for purposes of this title in a State unless the Governor of the State notifies the Secretary and the Secretary of Health and Human Services (in the case of the program referred to in clause (xi) of subparagraph (B)), or the Secretary and the Secretary of Agriculture (in the case of the program referred to in clause (xii) of subparagraph (B)) in writing of a determination by the Governor not to include such programs as required partners for purposes of this title in the State.''.

(2) ADDITIONAL PARTNERS.—Section 121(b)(2)(B) (29 U.S.C. 2841(b)(2)(B)) is amended to read as follows:

''(B) PROGRAMS.—The programs referred to in subparagraph (A) may include—

''(i) employment and training programs administered by the Social Security Administration, including the Ticket to Work program (established by Public Law 106–170);

''(ii) employment and training programs carried out by the Small Business Administration;

''(iii) programs under part D of title IV of the Social Security Act (42 U.S.C. 451 et seq.) (relating to child support enforcement);

''(iv) employment, training, and literacy services carried out by public libraries;

''(v) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmental disabilities, State Medicaid agencies, State Independent Living Councils, and Independent Living Centers;

''(vi) programs authorized under the National and Community Service Act of 1990 (42 U.S.C. 1250 et seq.);

''(vii) cooperative extension programs carried out by the Department of Agriculture; and

''(viii) other appropriate Federal, State, or local programs, including programs in the private sector.''.

(b) LOCAL MEMORANDUM OF UNDERSTANDING.—Section 121(c)(2)(A) (29 U.S.C. 2841(c)(2)(A)) is amended to read as follows:

''(A) provisions describing—

''(i) the services to be provided through the one-stop delivery system consistent with the requirements of this section, including the manner in which the services will be coordinated through such system;

''(ii) how the costs of such services and the operating costs of such system will be funded, through cash and in-kind contributions, to provide a stable and equitable funding stream for ongoing one-stop system operations, including the funding of the infrastructure costs of one-stop centers in accordance with subsection (h);

''(iii) methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities; and

''(iv) the duration of the memorandum of understanding and the procedures for amending the memorandum during the term of the memorandum, and assurances that such memorandum shall be reviewed not less than once every 2-year period to ensure appropriate funding and delivery of services; and''.

(c) PROVISION OF SERVICES.—Subtitle B of title I is amended—

(1) in section 121(d)(2), by striking ''section 134(c)'' and inserting ''subsection (e)'';

(2) by striking subsection (e) of section 121;

(3) by moving subsection (c) of section 134 from section 134, redesignating such subsection as subsection (e), and inserting such subsection (as so redesignated) after subsection (d) of section 121; and

(4) by amending subsection (e) of section 121 (as moved and redesignated by paragraph (3))—

(A) in paragraph (1)(A), by striking ''core services described in subsection (d)(2)'' and inserting ''work ready services described in section 134(c)(2)'';

(B) in paragraph (1)(B)—

(i) by striking ''intensive services'';

(ii) by striking ''paragraphs (3) and (4) of subsection (d)'' and inserting ''section 134(c)(4)'';

(iii) by striking ''individual training accounts'' and inserting ''career enhancement accounts''; and

(iv) by striking ''subsection (d)(4)(G)'' and inserting ''section 134(c)(4)(G)'';

(C) in paragraph (1)(C), by striking ''subsection (e)'' and inserting ''section 134(d)'';

(D) in paragraph (1)(D), by striking ''section 121(b)'' and inserting ''subsection (b)'';

(E) by amending paragraph (1)(E) to read as follows:

''(E) shall provide access to the information described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491–2(e)).''; and

(F) in paragraph (2)(B)(ii)(II), by striking ''core services'' and inserting ''work ready services''.

(d) CERTIFICATION AND FUNDING OF ONE-STOP CENTERS.—Section 121 (as amended by subsections (b) and (c)) is further amended by adding at the end the following new subsections:

''(g) CERTIFICATION OF ONE-STOP CENTERS.—

''(1) IN GENERAL.—

''(A) IN GENERAL.—The State board shall establish objective procedures and criteria for periodically certifying one-stop centers for the purpose of awarding the one-stop infrastructure funding described in subsection (h).

''(B) CRITERIA.—The criteria for certification under this subsection shall include minimum standards relating to the scope and degree of service integration achieved by the centers involving the programs provided by the one-stop partners, and how the centers ensure that such providers meet the employment needs of local employers and participants.

''(C) EFFECT OF CERTIFICATION.—One-stop centers certified under this subsection shall be eligible to receive the infrastructure grants authorized under subsection (h).

''(2) LOCAL BOARDS.—Consistent with the criteria developed by the State, the local board may develop additional criteria of higher standards to respond to local labor market and demographic conditions and trends.

''(h) ONE-STOP INFRASTRUCTURE FUNDING.—

''(1) PARTNER CONTRIBUTIONS.—

''(A) PROVISION OF FUNDS.—Notwithstanding any other provision of law, as determined under subparagraph (B), a portion of the Federal funds provided to the State and areas within the State under the Federal laws authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating additional partner programs described in (b)(2)(B) for a fiscal year shall be provided to the Governor by such programs to carry out this subsection.

''(B) DETERMINATION OF GOVERNOR.—

''(i) IN GENERAL.—Subject to subparagraph (C), the Governor, in consultation with the State board, shall determine the portion of funds to be provided under subparagraph (A) by each one-stop partner and in making such determination shall consider the proportionate use of the one-stop centers by each partner, the costs of administration for purposes not related to one-stop centers for each partner, and other relevant factors described in paragraph (3).

''(ii) SPECIAL RULE.—In those States where the State constitution places policy-making authority that is independent of the authority of the Governor in an entity or official with respect to the funds provided for adult education and literacy activities authorized under title II of this Act and for postsecondary career education activities authorized under the Carl D. Perkins Career and Technical Education Act, the determination described in clause (i) with respect to such programs shall be made by the Governor with the appropriate entity or official with such independent policy-making authority.

''(iii) APPEAL BY ONE-STOP PARTNERS.—The Governor shall establish a procedure for the one-stop partner administering a program described in subsection (b) to appeal a determination regarding the portion of funds to be contributed under this paragraph on the basis that such determination is inconsistent with the criteria described in the State plan or with the requirements of this paragraph. Such procedure shall ensure prompt resolution of the appeal.

''(C) LIMITATIONS.—

''(i) PROVISION FROM ADMINISTRATIVE FUNDS.—The funds provided under this paragraph by each one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the limitations with respect to the portion of funds under such programs that may be used for administration.

''(ii) FEDERAL DIRECT SPENDING PROGRAMS.—Programs that are Federal direct spending under section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)) shall not, for purposes of this paragraph, be required to provide an amount in excess of the amount determined to be equivalent to the proportionate use of the one-stop centers by such programs in the State.

''(iii) NATIVE AMERICAN PROGRAMS.—Native American programs established under section 166 shall not be subject to the provisions of this subsection. The method for determining the appropriate portion of funds to be provided by such Native American programs to pay for the costs of infrastructure of a one-stop center certified under subsection (g) shall be determined as part of the development of the memorandum of understanding under subsection (c) for the one-stop center and shall be stated in the memorandum.

''(2) ALLOCATION BY GOVERNOR.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of assisting in paying the costs of the infrastructure of One-Stop centers certified under subsection (g).

''(3) ALLOCATION FORMULA.—The State board shall develop a formula to be used by the Governor to allocate the funds described in paragraph (1). The formula shall include such factors as the State board determines are appropriate, which may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

''(4) COSTS OF INFRASTRUCTURE.—For purposes of this subsection, the term 'costs of infrastructure' means the nonpersonnel costs that are necessary for the general operation of a one-stop center, including the rental costs of the facilities, the costs of utilities and maintenance, and equipment (including adaptive technology for individuals with disabilities).

''(i) OTHER FUNDS.—

''(1) IN GENERAL.—In addition to the funds provided to carry out subsection (h), a portion of funds made available under Federal law authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating partner programs described in subsection (b)(2)(B), or the noncash resources available under such programs shall be used to pay the costs relating to the operation of the one-stop delivery system that are not paid for from the funds provided under subsection (h), to the extent not inconsistent with the Federal law involved including—

''(A) infrastructure costs that are in excess of the funds provided under subsection (h);

''(B) common costs that are in addition to the costs of infrastructure; and

''(C) the costs of the provision of work ready services applicable to each program.

''(2) DETERMINATION AND GUIDANCE.—The method for determining the appropriate portion of funds and noncash resources to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide guidance to facilitate the determination of appropriate allocation of the funds and noncash resources in local areas.''.

SEC. 419. ELIGIBLE PROVIDERS OF TRAINING SERVICES.

Section 122 (29 U.S.C. 2842) is amended to read as follows:

''SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

''(a) ELIGIBILITY.—

''(1) IN GENERAL.—The Governor, after consultation with the State board, shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services.

''(2) PROVIDERS.—Subject to the provisions of this section, to be eligible to receive the funds provided under section 133(b) for the provision of training services, the provider shall be—

''(A) a postsecondary educational institution that—

''(i) is eligible to receive Federal funds under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); and

''(ii) provides a program that leads to an associate degree, baccalaureate degree, or industry-recognized certification;

''(B) an entity that carries out programs under the Act of August 16, 1937 (commonly known as the 'National Apprenticeship Act'; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); or

''(C) another public or private provider of a program of training services.

''(3) INCLUSION IN LIST OF ELIGIBLE PROVIDERS.—A provider described in subparagraph (A) or (C) of paragraph (2) shall comply with the criteria and procedures established under this section to be included on the list of eligible providers of training services described in subsection (d)(1). A provider described in paragraph (2)(B) shall be included on the list of eligible providers of training services described in subsection (d)(1) for so long as the provider remains certified by the Department of Labor to carry out the programs described in paragraph (2)(B).

''(b) CRITERIA.—

''(1) IN GENERAL.—The criteria established pursuant to subsection (a) shall take into account—

''(A) the performance of providers of training services with respect to the performance measures described in section 136 and other matters for which information is required under paragraph (2) and other appropriate measures of performance outcomes for those participants receiving training services under this subtitle (taking into consideration the characteristics of the population served and relevant economic conditions);

''(B) whether the training programs of such providers relate to occupations that are in demand,

''(C) the need to ensure access to training services throughout the State, including any rural areas;

''(D) the ability of providers to offer programs that lead to a degree or an industry-recognized certification, certificate, or mastery;

''(E) the information such providers are required to report to State agencies with respect to other Federal and State programs (other than the program carried out under this subtitle), including one-stop partner programs; and

''(F) such other factors as the Governor determines are appropriate to ensure the quality of services provided, the accountability

of providers, that the one-stop centers will ensure that such providers meet the needs of local employers and participants, and the informed choice of participants under chapter 5.

''(2) INFORMATION.—The criteria established by the Governor shall require that a provider of training services submit appropriate, accurate, and timely information to the State for purposes of carrying out subsection (d), with respect to participants receiving training services under this subtitle in the applicable program, including—

''(A) information on degrees and industry-recognized certifications received by such participants;

''(B) information on costs of attendance for such participants;

''(C) information on the program completion rate for such participants; and

''(D) information on the performance of the provider with respect to the performance measures described in section 136 for such participants (taking into consideration the characteristics of the population served and relevant economic conditions), which may include information specifying the percentage of such participants who entered unsubsidized employment in an occupation related to the program.

''(3) RENEWAL.—The criteria established by the Governor shall also provide for biennial review and renewal of eligibility under this section for providers of training services.

''(4) LOCAL CRITERIA.—A local board in the State may establish criteria in addition to the criteria established by the Governor, or may require higher levels of performance than required under the criteria established by the Governor, for purposes of determining the eligibility of providers of training services to receive funds described in subsection (a) to provide the services in the local area involved.

''(5) LIMITATION.—In carrying out the requirements of this subsection, no personally identifiable information regarding a student, including Social Security number, student identification number, or other identifier, may be disclosed without the prior written consent of the parent or eligible student in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

''(c) PROCEDURES.—The procedures established under subsection (a) shall identify the application process for a provider of training services to become eligible to receive funds under section 133(b) for the provision of training services, and identify the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eligibility based on the criteria established under this section. The procedures shall also establish a process for a provider of training services to appeal a denial or termination of eligibility under this section that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

''(d) INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list or lists of providers determined eligible under this section in the State, including information regarding the occupations in demand that relate to the training programs of such providers, is provided to the local boards in the State to be made available to such participants and to members of the public through the one-stop delivery system in the State. The accompanying information shall consist of information provided by providers described in subparagraphs (A) and (C) of subsection (a)(2) in accordance with subsection (b) (including information on receipt of degrees and industry-recognized certifications, and costs of attendance, for participants receiving training services under this subtitle in applicable programs) and such other information as the Secretary determines is appropriate. The list and the accompanying information shall be made available to such participants and to members of the public through the one-stop delivery system in the State.

''(e) ENFORCEMENT.—

''(1) IN GENERAL.—The criteria and procedures established under this section shall provide the following:

''(A) INTENTIONALLY SUPPLYING INACCURATE INFORMATION.—Upon a determination, by an individual or entity specified in the criteria or procedures, that a provider of training services, or individual providing information on behalf of the provider, intentionally supplied inaccurate information under this section, the eligibility of such provider to receive funds under chapter 5 shall be terminated for a period of time that is not less than 2 years.

''(B) SUBSTANTIAL VIOLATIONS.—Upon a determination, by an individual or entity specified in the criteria or procedures, that a provider of training services substantially violated any requirement under this title, the eligibility of such provider to receive funds under the program involved may be terminated, or other appropriate action may be taken.

''(C) REPAYMENT.—A provider of training services whose eligibility is terminated under subparagraph (A) or (B) shall be liable for the repayment of funds received under chapter 5 during a period of noncompliance described in such subparagraph.

''(2) CONSTRUCTION.—Paragraph (1) shall be construed to provide remedies and penalties that supplement, but do not supplant, other civil and criminal remedies and penalties.

''(f) AGREEMENTS WITH OTHER STATES.—States may enter into agreements, on a reciprocal basis, to permit eligible providers of training services to accept career enhancement accounts provided in another State.

''(g) RECOMMENDATIONS.—In developing the criteria, procedures, and information required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

''(h) OPPORTUNITY TO SUBMIT COMMENTS.—During the development of the criteria, procedures, requirements for information, and the list of eligible providers required under this section, the Governor shall provide an opportunity for interested members of the public, including representatives of business and labor organizations, to submit comments regarding such criteria, procedures, and information.

''(i) ON-THE-JOB TRAINING OR CUSTOMIZED TRAINING EXCEPTION.—

''(1) IN GENERAL.—Providers of on-the-job training or customized training shall not be subject to the requirements of subsections (a) through (g).

''(2) COLLECTION AND DISSEMINATION OF INFORMATION.—A one-stop operator in a local area shall collect such performance information from on-the-job training and customized training providers as the Governor may require, determine whether the providers meet such performance criteria as the Governor may require, and disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible providers of training services.''.

SEC. 420. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

(a) ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.—Section 123 (29 U.S.C. 2843) is amended to read as follows:

''SEC. 123. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

''(a) IN GENERAL.—From the funds allocated under section 128(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth activities identified based on the criteria in the State plan and shall conduct oversight with respect to such providers.

''(b) EXCEPTIONS.—A local board may award grants or contracts on a sole-source basis if such board determines there are an insufficient number of eligible providers of training services in the local area involved (such as rural areas) for grants to be awarded on a competitive basis under subsection (a).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 123 to read as follows:

''Sec. 123. Eligible providers of youth activities.''.

SEC. 421. YOUTH ACTIVITIES.

(a) STATE ALLOTMENTS.—Section 127 (29 U.S.C. 2852(a)) is amended—

(1) in subsection (a)(1), by striking ''opportunity'' and inserting ''challenge''; and

(2) by striking subsection (b) and inserting the following:

''(b) ALLOTMENT AMONG STATES.—

''(1) YOUTH ACTIVITIES.—

''(A) YOUTH CHALLENGE GRANTS.—

''(i) RESERVATION OF FUNDS.—Of the amount appropriated under section 137(a) for each fiscal year, the Secretary shall reserve 25 percent to provide youth challenge grants under section 169.

''(ii) LIMITATION.—Notwithstanding clause (i), if the amount appropriated under section 137(a) for a fiscal year exceeds $1,000,000,000, the Secretary shall reserve $250,000,000 to provide youth challenge grants under section 169.

''(B) OUTLYING AREAS AND NATIVE AMERICANS.—

''(i) IN GENERAL.—After determining the amount to be reserved under subparagraph (A), of the remainder of the amount appropriated under section 137(a) for each fiscal year the Secretary shall—

''(I) reserve not more than ¼ of one percent of such amount to provide assistance to the outlying areas to carry out youth activities and statewide workforce investment activities; and

''(II) reserve not more than 1 and ½ percent of such amount to provide youth activities under section 166 (relating to Native Americans).

''(ii) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this subparagraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108–188)) after the date of enactment of the Workforce Investment Improvement Act of 2007.

''(C) STATES.—

''(i) IN GENERAL.—Of the remainder of the amount appropriated under section 137(a) for a fiscal year that is available after determining the amounts to be reserved under subparagraphs (A) and (B), the Secretary shall allot—

''(I) the amount of the remainder that is less than or equal to the total amount that was allotted to States for fiscal year 2007 under section 127(b)(1)(C) of this Act (as in

effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) in accordance with the requirements of such section 127(b)(1)(C); and

''(II) the amount of the remainder, if any, in excess of the amount referred to in subclause (I) in accordance with clause (ii).

''(ii) FORMULAS FOR EXCESS FUNDS.—Subject to clauses (iii) and (iv), of the amounts described in clause (i)(II)—

''(I) 33⅓ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16 through 19 in each State, compared to the total number of individuals in the civilian labor force who are ages 16 through 19 in all States;

''(II) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States; and

''(III) 33⅓ percent shall be allotted on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each State, compared to the total number of disadvantaged youth who are ages 16 through 21 in all States.

''(iii) MINIMUM AND MAXIMUM PERCENTAGES.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than 90 percent or greater than 130 percent of the allotment percentage of that State for the preceding fiscal year.

''(iv) SMALL STATE MINIMUM ALLOTMENT.—Subject to clause (iii), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than 3/10 of 1 percent of the amount available under subparagraph (A).

''(2) DEFINITIONS.—For the purposes of paragraph (1), the following definitions apply:

''(A) ALLOTMENT PERCENTAGE.—The term 'allotment percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the remainder described in paragraph (1)(C)(i) that is received through an allotment made under this subsection for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that is received by the State involved for fiscal year 2007.

''(B) DISADVANTAGED YOUTH.—The term 'disadvantaged youth' means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(3) SPECIAL RULE.—For purposes of the formulas specified in paragraph (1)(C), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.'';

(3) in subsection (c)—

(A) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the State under this section during such prior program year (including amounts allotted to the State in all prior program years that remained available). For purposes of this paragraph, the expended balance is the amount that is the difference between—

''(A) the total amount of funds available to the State under this section during the program year prior to the program year for which the determination is made (including amounts allotted to the State in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(B) in paragraph (3)—

(i) by striking ''for the prior program year'' and inserting ''for the program year in which the determination is made''; and

(ii) by striking ''such prior program year'' and inserting ''such program year'';

(C) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State which does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.''; and

(D) in paragraph (5), by striking ''obligation'' and inserting ''accrued expenditure''.

(b) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATEWIDE ACTIVITIES.—Section 128(a) is amended to read as follows:

''(a) RESERVATION FOR STATEWIDE ACTIVITIES.—

''(1) IN GENERAL.—The Governor of a State shall reserve not more than 10 percent of the amount allotted to the State under section 127(a)(1)(C) for a fiscal year for statewide activities.

''(2) USE OF FUNDS.—Regardless of whether the amounts are allotted under section 127(a)(1)(C) and reserved under paragraph (1) or allotted under section 132 and reserved under section 133(a), the Governor may use the reserved amounts to carry out statewide youth activities under section 129(b) or statewide employment and training activities under section 133.''.

(2) WITHIN STATE ALLOCATIONS.—Section 128(b) is amended to read as follows:

''(b) WITHIN STATE ALLOCATION.—

''(1) IN GENERAL.—Of the amounts allotted to the State under section 127(a)(1)(C) and not reserved under subsection (a)(1)—

''(A) not less than 80 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

''(B) not more than 20 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

''(2) ESTABLISHED FORMULA.—

''(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

''(i) 33⅓ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16 through 19 in each local area, compared to the total number of individuals in the civilian labor force who are ages 16 through 19 in all local areas in the State;

''(ii) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State; and

''(iii) 33⅓ percent on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each local area, compared to the total number of disadvantaged youth who are ages 16 through 21 in all local areas in the State.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

''(C) DEFINITIONS.—

''(i) ALLOCATION PERCENTAGE.—For purposes of this paragraph, the term 'allocation percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the amount described in paragraph(1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that is received by the local area involved for fiscal year 2007.

''(ii) DISADVANTAGED YOUTH.—The term 'disadvantaged youth' means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(3) YOUTH DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) in accordance with such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

''(4) LOCAL ADMINISTRATIVE COST LIMIT.—

''(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 5.

''(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 5, regardless of whether the funds were allocated under this subsection or section 133(b).''.

(3) REALLOCATION.—Section 128(c) (29 U.S.C. 2853(c)) is amended—

(A) in paragraph (1), by striking ''paragraph (2)(A) or (3) of'';

(B) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year, (including amounts allotted to the local area in prior program years that remain available). For purposes of this paragraph, the unexpended balance is the amount that is the difference between—

''(A) the total amount of funds available to the local area under this section during the program year prior to the program year for which the determination is made (including amounts allocated to the local area in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(C) in paragraph (3)—

(i) by striking ''subsection (b)(3)'' the first two places it appears and inserting ''subsection (b)'';

(ii) by striking ''the prior program year'' and inserting ''the program year in which the determination is made'';

(iii) by striking ''such prior program year'' and inserting ''such program year''; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local

area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.''.

(c) YOUTH PARTICIPANT ELIGIBILITY.—Section 129(a) (29 U.S.C. 2854(a)) is amended to read as follows:

''(a) YOUTH PARTICIPANT ELIGIBILITY.—

''(1) IN GENERAL.—The individuals participating in activities carried out under this chapter by a local area during any program year shall be individuals who, at the time the eligibility determination is made, are—

''(A) not younger than age 16 or older than age 24; and

''(B) one or more of the following:

''(i) school dropouts;

''(ii) recipients of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities) who are deficient in basic skills and not attending any school;

''(iii) court-involved youth attending an alternative school;

''(iv) youth in foster care or who have been in foster care; or

''(v) in school youth who are low-income individuals and one or more of the following:

''(I) Deficient in literacy skills.

''(II) Homeless, runaway, or foster children.

''(III) Pregnant or parents.

''(IV) Offenders.

''(V) Individuals who require additional assistance to complete an educational program, or to secure and hold employment.

''(2) PRIORITY FOR SCHOOL DROPOUTS.—A priority in the provision of services under this chapter shall be given to individuals who are school dropouts.

''(3) LIMITATIONS ON ACTIVITIES FOR IN-SCHOOL YOUTH.—

''(A) PERCENTAGE OF FUNDS.—For any program year, not more than 50 percent of the funds available for statewide activities under subsection (b), and not more than 50 percent of funds available to local areas under subsection (c), may be used to provide activities for in-school youth meeting the requirements of paragraph (1)(B)(v).

''(B) EXCEPTION.—A State that receives a minimum allotment under section 127(b)(1) in accordance with section 127(b)(1)(C)(iv) or under section 132(b)(1) in accordance with section 132(b)(1)(B)(iv)(II) may increase the percentage described in subparagraph (A) for a local area in the State, if—

''(i) after an analysis of the eligible youth population in the local area, the State determines that the local area will be unable to use at least 50 percent of the funds available for activities under subsection (b) or (c) to serve out-of-school youth due to a low number of out-of-school youth; and

''(ii)(I) the State submits to the Secretary, for the local area, a request including a proposed increased percentage for purposes of subparagraph (A), and the summary of the eligible youth population analysis; and

''(II) the request is approved by the Secretary.

''(C) NON-SCHOOL HOURS REQUIRED.—

''(i) IN GENERAL.—Except as provided in clause (ii), activities carried out under this chapter for in-school youth meeting the requirements of paragraph (1)(B)(v) shall only be carried out in non-school hours or periods when school is not in session (such as before and after school or during recess).

''(ii) EXCEPTION.—The requirements of clause (i) shall not apply to activities carried out for in-school youth meeting the requirements of paragraph (1)(B)(v) during school hours that are part of a program that has demonstrated effectiveness in high school youth attaining diplomas.

''(4) CONSISTENCY WITH COMPULSORY SCHOOL ATTENDANCE LAWS.—In providing assistance under this section to an individual who is required to attend school under applicable State compulsory school attendance laws, the priority in providing such assistance shall be for the individual to attend school regularly.''.

(d) STATEWIDE YOUTH ACTIVITIES.—Section 129(b) (29 U.S.C. 2854(b)) is amended to read as follows:

''(b) STATEWIDE ACTIVITIES.—

''(1) IN GENERAL.—Funds reserved by a Governor for a State as described in sections 128(a) and 133(a)(1) may be used for statewide activities including—

''(A) additional assistance to local areas that have high concentrations of eligible youth;

''(B) supporting the provision of work ready services described in section 134(c)(2) in the one-stop delivery system;

''(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 5 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

''(D) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

''(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

''(F) operating a fiscal and management accountability system under section 136(f); and

''(G) carrying out monitoring and oversight of activities under this chapter and chapter 5.

''(2) LIMITATION.—Not more than 5 percent of the funds allotted under section 127(b) shall be used by the State for administrative activities carried out under this subsection and section 133(a).

''(3) PROHIBITION.—No funds described in this subsection or in section 134(a) may be used to develop or implement education curricula for school systems in the State.''.

(e) LOCAL ELEMENTS AND REQUIREMENTS.—

(1) PROGRAM DESIGN.—Section 129(c)(1) (29 U.S.C. 2854(c) (1)) is amended—

(A) in the matter preceding subparagraph (A), by striking ''paragraph (2)(A) or (3), as appropriate, of'';

(B) in subparagraph (B), by inserting ''are directly linked to one or more of the performance measures relating to this chapter under section 136, and that'' after ''for each participant that''; and

(C) in subparagraph (C)—

(i) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;

(ii) by inserting before clause (ii) (as so redesignated) the following:

''(i) activities leading to the attainment of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities);'';

(iii) in clause (ii) (as so redesignated), by inserting ''and advanced training'' after ''opportunities'';

(iv) in clause (iii) (as so redesignated), by inserting ''that lead to the attainment of recognized credentials'' after ''learning''; and

(v) by amending clause (v) (as so redesignated) to read as follows:

''(v) effective connections to employers, including small employers, in sectors of the local and regional labor markets experiencing high growth in employment opportunities.''.

(2) PROGRAM ELEMENTS.—Section 129(c)(2) (29 U.S.C. 2854(c)(2)) is amended—

(A) in subparagraph (A), by striking ''secondary school, including dropout prevention strategies'' and inserting ''secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities), including dropout prevention strategies'';

(B) in subparagraph (I), by striking ''and'' at the end;

(C) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

''(K) on-the-job training opportunities; and

''(L) financial literacy skills.''.

(3) ADDITIONAL REQUIREMENTS.—Section 129(c)(3)(A) (29 U.S.C. 2854(c)(3)(A)) is amended in the matter preceding clause (i) by striking ''or applicant who meets the minimum income criteria to be considered an eligible youth''.

(4) PRIORITY AND EXCEPTIONS.—Section 129(c) (29 U.S.C. 2854(c)) is further amended—

(A) by striking paragraphs (4) and (5) and redesignating paragraphs (6) through (8) as paragraphs (4) through (6), respectively; and

(B) in paragraph (5) (as so redesignated), by striking ''youth councils'' and inserting ''local boards''.

SEC. 422. COMPREHENSIVE PROGRAMS FOR ADULTS.

(a) TITLE AMENDMENT.—

(1) The title heading of chapter 5 is amended to read as follows:

''CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS''.

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to the heading for chapter 5 to read as follows:

''CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS''.

(b) GENERAL AUTHORIZATION.—Section 131 (29 U.S.C. 2861) is amended—

(1) by striking ''paragraphs (1)(B) and (2)(B) of''; and

(2) by striking '', and dislocated workers,''.

(c) STATE ALLOTMENTS.—Section 132 (29 U.S.C. 2862) is amended—

(1) by amending subsection (a) to read as follows:

''(a) IN GENERAL.—The Secretary shall—

''(1) reserve 7.5 percent of the amount appropriated under section 137 for a fiscal year, of which—

''(A) not less than 85 percent shall be used for national dislocated worker grants under section 173;

''(B) not more than 10 percent may be used for demonstration projects under section 171; and

''(C) not more than 5 percent may be used to provide technical assistance under section 170; and

''(2) make allotments from 92.5 percent of the amount appropriated under section 137 for a fiscal year in accordance with subsection (b).'';

(2) by amending subsection (b) to read as follows:

''(b) ALLOTMENT AMONG STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

''(1) RESERVATION FOR OUTLYING AREAS.—

''(A) IN GENERAL.—From the amount made available under subsection (a)(2) for a fiscal

year, the Secretary shall reserve not more than ¼ of 1 percent to provide assistance to outlying areas to carry out employment and training activities for adults and statewide workforce investment activities.

''(B) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this paragraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108–188)) after the date of enactment of the Workforce Investment Improvement Act of 2007.

''(2) STATES.—Subject to paragraph (5), of the remainder of the amount referred to under subsection (a)(2) for a fiscal year that is available after determining the amount to be reserved under paragraph (1), the Secretary shall allot to the States for employment and training activities for adults and for statewide workforce investment activities—

''(A) 26 percent in accordance with paragraph (3); and

''(B) 74 percent in accordance with paragraph (4).

''(3) BASE FORMULA.—

''(A) FISCAL YEAR 2008.—

''(i) IN GENERAL.—Subject to clause (ii), the amount referred to in paragraph (2)(A) shall be allotted for fiscal year 2008 on the basis of allotment percentage of each State under section 6 of the Wagner-Peyser Act for fiscal year 2007.

''(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2008 exceeds the amount that was available for allotment to the States under the Wagner-Peyser Act for fiscal year 2007, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than 3/10 of one percent of such excess amount.

''(iii) DEFINITION.—For purposes of this subparagraph, the term 'allotment percentage' means the percentage of the amounts allotted to States under section 6 of the Wagner-Peyser Act that is received by the State involved for fiscal year 2007.

''(B) FISCAL YEARS 2009 AND THEREAFTER.—

''(i) IN GENERAL.—Subject to clause (ii), the amount referred to in paragraph(2)(A) shall be allotted for fiscal year 2009 and each fiscal year thereafter on the basis of the allotment percentage of each State under this paragraph for the preceding fiscal year.

''(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2009 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the prior fiscal year, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than 3/10 of one percent of such excess amount.

''(iii) DEFINITION.—For purposes of this subparagraph, the term 'allotment percentage' means the percentage of the amounts allotted to States under this paragraph in a fiscal year that is received by the State involved for such fiscal year.

''(4) CONSOLIDATED FORMULA.—

''(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the amount referred to in paragraph (2)(B)—

''(i) 60 percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

''(ii) 25 percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

''(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—

''(i) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment under this paragraph for a fiscal year that is less than 90 percent of the allotment percentage of the State under this paragraph for the preceding fiscal year.

''(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment for a fiscal year under this paragraph that is more than 130 percent of the allotment of the State under this paragraph for the preceding fiscal year.

''(C) SMALL STATE MINIMUM ALLOTMENT.—Subject to subparagraph (B), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than 2/10 of 1 percent of the amount available under subparagraph (A).

''(D) DEFINITIONS.—For the purposes of this paragraph:

''(i) ALLOTMENT PERCENTAGE.—The term 'allotment percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the amounts described in paragraph (2)(B) that is received through an allotment made under this paragraph for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) and under reemployment service grants received by the State involved for fiscal year 2007.

''(ii) DISADVANTAGED ADULT.—The term 'disadvantaged adult' means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(iii) EXCESS NUMBER.—The term 'excess number' means, used with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4½ percent of the civilian labor force in the State.

''(5) ADJUSTMENTS IN ALLOTMENTS BASED ON DIFFERENCES WITH UNCONSOLIDATED FORMULAS.—

''(A) IN GENERAL.—The Secretary shall ensure that for any fiscal year no State has an allotment difference, as defined in subparagraph (C), that is less than zero. The Secretary shall adjust the amounts allotted to the States under this subsection in accordance with subparagraph (B) if necessary to carry out this subparagraph.

''(B) ADJUSTMENTS IN ALLOTMENTS.—

''(i) REDISTRIBUTION OF EXCESS AMOUNTS.—

''(I) IN GENERAL.—If necessary to carry out subparagraph (A), the Secretary shall reduce the amounts that would be allotted under paragraphs (3) and (4) to States that have an excess allotment difference, as defined in subclause (II), by the amount of such excess, and use such amounts to increase the allotments to States that have an allotment difference less than zero.

''(II) EXCESS AMOUNTS.—For purposes of subclause (I), the term 'excess' allotment difference means an allotment difference for a State that is—

''(aa) in excess of 3 percent of the amount described in subparagraph (C)(i)(II); or

''(bb) in excess of a percentage established by the Secretary that is greater than 3 percent of the amount described in subparagraph (C)(i)(II) if the Secretary determines that such greater percentage is sufficient to carry out subparagraph (A).

''(ii) USE OF AMOUNTS AVAILABLE UNDER NATIONAL RESERVE ACCOUNT.—If the funds available under clause (i) are insufficient to carry out subparagraph (A), the Secretary shall use funds reserved under section 132(a) in such amounts as are necessary to increase the allotments to States to meet the requirements of subparagraph (A). Such funds shall be used in the same manner as the States use the other funds allotted under this subsection.

''(C) DEFINITION OF ALLOTMENT DIFFERENCE.—

''(i) IN GENERAL.—For purposes of this paragraph, the term 'allotment difference' means the difference between—

''(I) the total amount a State would receive of the amounts available for allotment under subsection (b)(2) for a fiscal year pursuant to paragraphs (3) and (4); and

''(II) the total amount the State would receive of the amounts available for allotment under subsection (b)(2) for the fiscal year if such amounts were allotted pursuant to the unconsolidated formulas (applied as described in clause (iii)) that were used in allotting funds for fiscal year 2007.

''(ii) UNCONSOLIDATED FORMULAS.—For purposes of clause (i), the unconsolidated formulas are:

''(I) The requirements for the allotment of funds to the States contained in section 132(b)(1)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that were applicable to the allotment of funds under such section for fiscal year 2007.

''(II) The requirements for the allotment of funds to the States contained in section 132(b)(2)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that were applicable to the allotment of funds under such section for fiscal year 2007.

''(III) The requirements for the allotment of funds to the States that were contained in section 6 of the Wagner-Peyser Act (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that were applicable to the allotment of funds under such Act for fiscal year 2007.

''(IV) The requirements for the allotment of funds to the States that were established by the Secretary for Reemployment Services Grants that were applicable to the allotment of funds for such grants for fiscal year 2007.

''(iii) PROPORTIONATE APPLICATION OF UNCONSOLIDATED FORMULAS BASED ON FISCAL YEAR 2007.—In calculating the amount under clause (i)(II), each of the unconsolidated formulas identified in clause (ii) shall be applied, respectively, only to the proportionate share of the total amount of funds available for allotment under subsection (b)(2) for a fiscal year that is equal to the proportionate share to which each of the unconsolidated formulas applied with respect to the total amount of funds allotted to the States under all of the unconsolidated formulas in fiscal year 2007.

''(iv) RULE OF CONSTRUCTION.—The amounts used to adjust the allotments to a State under subparagraph (B) for a fiscal year shall not be included in the calculation of the amounts under clause (i) for a subsequent fiscal year, including the calculation of allocation percentages for a preceding fiscal

year applicable to paragraphs (3) and (4) and to the unconsolidated formulas described in clause (ii).''; and

(3) in subsection (c)—

(A) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallotment for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the State under this section during such prior program year (including amounts allotted to the State in all prior program years that remained available). For purposes of this paragraph, the expended balance is the amount that is the difference between—

''(A) the total amount of funds available to the State under this section during the program year prior to the program year for which the determination is made (including amounts allotted to the State in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(B) in paragraph (3)—

(i) by striking ''for the prior program year'' and inserting ''for the program year in which the determination is made''; and

(ii) by striking ''such prior program year'' and inserting ''such program year'';

(C) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that does not have an amount available for reallotment under paragraph (2) for the program year for which the determination under paragraph (2) is made.''; and

(D) in paragraph (5), by striking ''obligation'' and inserting ''accrued expenditure''.

(d) WITHIN STATE ALLOCATIONS.—Section 133 (29 U.S.C. 2863) is amended—

(1) by amending subsection (a) to read as follows:

''(a) RESERVATION FOR STATEWIDE ACTIVITIES.—The Governor of a State may reserve up to 40 percent of the total amount allotted to the State under section 132 for a fiscal year to carry out the statewide activities described in section 134(a).'';

(2) by amending subsection (b) to read as follows:

''(b) ALLOCATIONS TO LOCAL AREAS.—

''(1) IN GENERAL.—Of the amounts allotted to the State under section 132(b)(2) and not reserved under subsection (a)—

''(A) 85 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

''(B) 15 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

''(2) ESTABLISHED FORMULA.—

''(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

''(i) 60 percent on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State;

''(ii) 25 percent on the basis of the relative excess number of unemployed individuals in each local area, compared to the total excess number of unemployed individuals in all local areas in the State; and

''(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each local area, compared to the total number of disadvantaged adults in all local areas in the State.

''(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

''(C) DEFINITIONS.—

''(i) ALLOCATION PERCENTAGE.—The term 'allocation percentage', used with respect to fiscal year 2008 or a subsequent fiscal year, means a percentage of the amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2007, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Improvement Act of 2007) that is received by the local area involved for fiscal year 2007.

''(ii) DISADVANTAGED ADULT.—The term 'disadvantaged adult' means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

''(iii) EXCESS NUMBER.—The term 'excess number' means, used with respect to the excess number of unemployed individuals within a local area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the local area.

''(3) DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) based on a formula developed in consultation with the State board and local boards. Such formula shall be objective and geographically equitable and may include such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

''(4) LOCAL ADMINISTRATIVE COST LIMIT.—

''(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 128(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 4.

''(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 4, regardless of whether the funds were allocated under this subsection or section 128(b).'';

(3) in subsection (c)—

(A) in paragraph (1), by striking ''paragraph (2)(A) or (3) of'';

(B) by amending paragraph (2) to read as follows:

''(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year (including amounts allotted to the local area in prior program years that remain available). For purposes of this paragraph, the unexpended balance is the amount that is the difference between—

''(A) the total amount of funds available to the local area under this section during the program year prior to the program year for which the determination is made (including amounts allocated to the local area in all prior program years that remained available); and

''(B) the accrued expenditures during such prior program year.'';

(C) by amending paragraph (3)—

(i) by striking ''subsection (b)(3)'' the first two places it appears and inserting ''subsection (b)'';

(ii) by striking ''the prior program year'' and inserting ''the program year in which the determination is made'';

(iii) by striking ''such prior program year'' and inserting ''such program year''; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

''(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.''.

(e) USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(a) (29 U.S.C. 2864(a) is amended to read as follows:

''(1) IN GENERAL.—

''(A) REQUIRED USE OF FUNDS.—Not less than 60 percent of the funds reserved by a Governor under section 133(a) shall be used to support One-Stop delivery systems and the provision of work ready services, and, in addition, may be used to support the provision of discretionary one-step delivery services, in local areas, consistent with the local plan, through one-stop delivery systems by distributing funds to local areas in accordance with subparagraph (B). Such funds may be used by States to employ State personnel to provide such services in designated local areas in consultation with local boards.

''(B) METHOD OF DISTRIBUTING FUNDS.—The method of distributing funds under this paragraph shall be developed in consultation with the State board and local boards. Such method of distribution, which may include the formula established under section 121(h)(3), shall be objective and geographically equitable, and may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

''(C) OTHER USE OF FUNDS.—Funds reserved by a Governor for a State—

''(i) under section 133(a) and not used under subparagraph (A), may be used for statewide activities described in paragraph (2); and

''(ii) under section 133(a) and not used under subparagraph (A), and under section 128(a) may be used to carry out any of the statewide employment and training activities described in paragraph (3).

''(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—A State shall carry out statewide rapid response activities using funds reserved as described in section 133(a). Such activities shall include—

''(A) provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas; and

''(B) provision of additional assistance to local areas that experience disasters, mass layoffs or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State, working in conjunction with the local boards and the chief elected officials in the local areas.

''(3) STATEWIDE ACTIVITIES.—Funds reserved by a Governor for a State as described in sections 133(a) and 128(a) may be used for statewide activities including—

''(A) supporting the provision of work ready services described in section 134(c)(2) in the one-stop delivery system;

''(B) implementing innovative programs and strategies designed to meet the needs of all businesses in the State, including small businesses, which may include incumbent

worker training programs, sectoral and industry cluster strategies and partnerships, including regional skills alliances, sectoral skills partnerships (in which representatives of multiple employers for a specific industry sector or group of related occupations, economic development agencies, providers of training services described in subsection (d)(4), labor federations, and other entities that can provide needed supportive services tailored to the needs of workers in that sector or group, for a local area or region, identify gaps between the current and expected demand and supply of labor and skills in that sector or group for that area or region and develop a strategic skills gap action plan), career ladder programs, micro-enterprise and entrepreneurial training and support programs, utilization of effective business intermediaries, activities to improve linkages between the one-stop delivery system in the State and all employers (including small employers) in the State, and other business services and strategies that better engage employers in workforce investment activities and make the workforce investment system more relevant to the needs of State and local businesses, consistent with the objectives of this title;

''(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 4 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

''(D) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

''(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

''(F) operating a fiscal and management accountability system under section 136(f);

''(G) carrying out monitoring and oversight of activities carried out under this chapter and chapter 4;

''(H) implementing innovative programs, such as incumbent worker training programs, programs and strategies designed to meet the needs of businesses in the State, including small businesses, and engage employers in workforce activities, and programs serving individuals with disabilities consistent with section 188;

''(I) developing strategies for effectively serving hard-to-serve populations and for integrating programs and services among one-stop partners; and

''(J) carrying out activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology.

''(4) LIMITATION.—Not more than 5 percent of the funds allotted under section 132(b) shall be used by the State for administrative activities carried out under this subsection and section 128(a).''.

(2) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(b) (29 U.S.C. 2864(b)) is amended—

(A) by striking ''under paragraph (2)(A)'' and all that follows through ''section 133(b)(2)(B)'' and inserting ''under section 133(b)''; and

(B) in paragraphs (1) and (2), by striking ''or dislocated workers, respectively''.

(3) TECHNICAL AMENDMENT.—Section 134 is further amended by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(4) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) ALLOCATED FUNDS.—Section 134(c)(1) (29 U.S.C. 2864(c)(1)) (as redesignated by paragraph (3)) is amended to read as follows:

''(1) IN GENERAL.—Funds allocated to a local area for adults under section 133(b) shall be used—

''(A) to establish a one-stop delivery system as described in section 121(e);

''(B) to provide the work ready services described in paragraph (2) through the one-stop delivery system in accordance with such paragraph;

''(C) to provide training services described in paragraph (4) to adults described in such paragraph; and

''(D) to designate a dedicated business liaison in the local area who may be funded with funds provided under this title or from other sources to establish and develop relationships and networks with large and small employers and their intermediaries.''.

(B) WORK READY SERVICES.—Section 134(c)(2) (29 U.S.C. 2864(c)(2)) (as redesignated by paragraph (3)) is amended——

(i) in the heading, by striking ''CORE SERVICES'' and inserting ''WORK READY SERVICES'';

(ii) by striking ''core services'' and inserting ''work ready services'';

(iii) by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)(A)(i)'';

(iv) by striking ''who are adults or dislocated workers'';

(v) in subparagraph (A), by inserting ''and assistance in obtaining eligibility determinations under the other one-stop partner programs through such activities as assisting in the submission of applications, the provision of information on the results of such applications, the provision of intake services and information, and, where appropriate and consistent with the authorizing statute of the one-stop partner program, determinations of eligibility'' after ''subtitle'';

(vi) by amending subparagraph (D) to read as follows:

''(D) labor exchange services, including—

''(i) job search and placement assistance, and where appropriate career counseling;

''(ii) appropriate recruitment services for employers, including small employers, in the local area, which may include services described in this subsection, including information and referral to specialized business services not traditionally offered through the one-stop delivery system; and

''(iii) reemployment services provided to unemployment claimants, including claimants identified as in need of such services under the worker profiling system established under section 303(j) of the Social Security Act (42 U.S.C. 503(j));'';

(vii) in subparagraph (I), by inserting ''and the administration of the work test for the unemployment compensation system'' after ''compensation''; and

(viii) by striking subparagraph (H) and inserting the following:

''(H) provision of accurate information, in formats that are usable and understandable to all one-stop center customers, relating to the availability of supportive services or assistance, including child care, child support, medical or child health assistance under title XIX or XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.), benefits under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the earned income tax credit under section 32 of the Internal Revenue Code of 1986, and assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and other supportive services and transportation provided through funds made available under such part, available in the local area, and referral to such services or assistance as appropriate;''; and

(ix) by amending subparagraph (J) to read as follows:

''(J) assistance in establishing eligibility for programs of financial aid assistance for training and education programs that are not funded under this Act and are available in the local area; and''; and

(x) by redesignating subparagraph (K) as subparagraph (M); and

(xi) by inserting the following new subparagraphs after subparagraph (J)):

''(K) the provision of information from official publications of the Internal Revenue Service, regarding federal tax credits available to individuals relating to education, job training and employment, including the Hope Scholarship Credit and the Lifetime Learning Credit (26 U.S.C. 25A), and the Earned Income Tax Credit (26 U.S.C. 32);

''(L) services relating to the Work Opportunity Tax Credit (26 U.S.C. 51);

''(M) comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers, which may include—

''(i) diagnostic testing and use of other assessment tools; and

''(ii) in-depth interviewing and evaluation to identify employment barriers and appropriate employment goals;

''(N) development of an individual employment plan, to identify the employment goals, appropriate achievement objectives, and appropriate combination of services for the participation to achieve the employment goals;

''(O) group counseling;

''(P) individual counseling and career planning;

''(Q) case management;

''(R) short-term prevocational services, including development of learning skills, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct, to prepare individuals for unsubsidized employment or training;

''(S) internships and work experience;

''(T) literacy activities relating to basic work readiness, information and communication technology literacy activities, and financial literacy activities, if such activities are not available to participants in the local area under programs administered under the Adult Education and Family Literacy Act (20 U.S.C. 2901 et seq.); and

''(U) out-of-area job search assistance and relocation assistance.''.

(C) DELIVERY OF SERVICES.—Section 134(c)(3) (29 U.S.C. 2864(c)(3) (as redesignated by paragraph (3) of this subsection) is amended to read as follows:

''(3) DELIVERY OF SERVICES.—The work ready services described in paragraph (M) through (U) shall be provided through the one-stop delivery system and may be provided through contracts with public, private for-profit, and private nonprofit service providers, approved by the local board.''.

(D) TRAINING SERVICES.—Section 134(c)(4) (as redesignated by paragraph (3) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

''(A) IN GENERAL.—Funds allocated to a local area under section 133(b) shall be used to provide training services to adults who—

''(i) after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to—

''(I) be in need of training services to obtain or retain suitable employment; and

''(II) have the skills and qualifications to successfully participate in the selected program of training services;

''(ii) select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the adults receiving such services are willing to commute or relocate;

''(iii) who meet the requirements of subparagraph (B); and

''(iv) who are determined eligible in accordance with the priority system in effect under subparagraph (E).'';

(ii) in subparagraph (B)(i), by striking ''Except'' and inserting ''Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except'';

(iii) by amending subparagraph (D) to read as follows:

''(D) TRAINING SERVICES.—Training services authorized under this paragraph may include—

''(i) occupational skills training;

''(ii) on-the-job training;

''(iii) skill upgrading and retraining;

''(iv) entrepreneurial training;

''(v) education activities leading to a high school diploma or its equivalent, including a General Educational Development credential, in combination with, concurrently or subsequently, occupational skills training;

''(vi) adult education and literacy activities provided in conjunction with other training authorized under this subparagraph;

''(vii) workplace training combined with related instruction; and

''(viii) occupational skills training that incorporates English language acquisition.'';

(iv) by amending subparagraph (E) to read as follows:

''(E) PRIORITY.—

''(i) IN GENERAL.—A priority shall be given to unemployed individuals and employed workers who need training services to retain employment or to advance in a career for the provision of intensive and training services under this subsection.

''(ii) DETERMINATIONS.—The Governor and the appropriate local board shall direct the one-stop operators in the local area with regard to making determinations with respect to the priority of service under this subparagraph.'';

(v) in subparagraph (F), by striking clause (iii) and inserting the following:

''(iii) CAREER ENHANCEMENT ACCOUNTS.—An individual who seeks training services and who is eligible pursuant to subparagraph (A), may, in consultation with a case manager, select an eligible provider of training services from the list or identifying information for providers described in clause (ii)(I). Upon such selection, the one-stop operator involved shall, to the extent practicable, refer such individual to the eligible provider of training services, and arrange for payment for such services through a career enhancement account.

''(iv) COORDINATION.—Each local board may, through one-stop centers, coordinate career enhancement accounts with other Federal, State, local, or private job training programs or sources to assist the individual in obtaining training services.

''(v) ENHANCED CAREER ENHANCEMENT ACCOUNTS.—Each local board may, through one-stop centers, assist individuals receiving career enhancement accounts through the establishment of such accounts that include, in addition to the funds provided under this paragraph, funds from other programs and sources that will assist the individual in obtaining training services.''; and

(vi) in subparagraph (G)—

(I) in the subparagraph heading, by striking ''INDIVIDUAL TRAINING ACCOUNTS'' and inserting ''CAREER ENHANCEMENT ACCOUNTS'';

(II) in clause (i) by striking ''individual training accounts'' and inserting ''career enhancement accounts'';

(III) in clause (ii)—

(aa) by striking ''an individual training account'' and inserting ''a career enhancement account'';

(bb) in subclause (II), by striking ''individual training accounts'' and inserting ''career enhancement accounts'';

(cc) in subclause (II) by striking ''or'' after the semicolon;

(dd) in subclause (III) by striking the period and inserting ''; or''; and

(ee) by adding at the end of the following:

''(IV) The local board determines that it would be most appropriate to award a contract to an institution of higher education in order to facilitate the training of multiple individuals in high-demand occupations, if such contract does not limit customer choice.''.

(IV) in clause (iv)—

(aa) by redesignating subclause (IV) as subclause (V) and inserting after subclause (III) the following:

''(IV) Individuals with disabilities.''.

(5) PERMISSIBLE ACTIVITIES.—Section 134(d) (as redesignated by paragraph (3)) is amended—

(A) by amending paragraph (1) to read as follows:

''(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—

''(A) IN GENERAL.—Funds allocated to a local area under section 133(b) may be used to provide, through the one-stop delivery system—

''(i) customized screening and referral of qualified participants in training services to employers;

''(ii) customized employment-related services to employers on a fee-for-service basis;

''(iii) customer support to navigate among multiple services and activities for special participant populations that face multiple barriers to employment, including individuals with disabilities;

''(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act (42 U.S.C. 651 et seq.);

''(v) activities to improve services to local employers, including small employers in the local area, and increase linkages between the local workforce investment system and employers;

''(vi) activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology; and

''(vii) activities to carry out business services and strategies that meet the workforce investment needs of local area employers, as determined by the local board, consistent with the local plan under section 118, which services—

''(I) may be provided through effective business intermediaries working in conjunction with the local board, and may also be provided on a fee-for-service basis or through the leveraging of economic development and other resources as determined appropriate by the local board; and

''(II) may include—

''(aa) identifying and disseminating to business, educators, and job seekers, information related to the workforce, economic and community development needs, and opportunities of the local economy;

''(bb) development and delivery of innovative workforce investment services and strategies for area businesses, which may include sectoral, industry cluster, regional skills alliances, career ladder, skills upgrading, skill standard development and certification, apprenticeship, and other effective initiatives for meeting the workforce investment needs of area employers and workers;

''(cc) participation in seminars and classes offered in partnership with relevant organizations focusing on the workforce-related needs of area employers and job seekers;

''(dd) training consulting, needs analysis, and brokering services for area businesses, including the organization and aggregation of training (which may be paid for with funds other than those provided under this title), for individual employers and coalitions of employers with similar interests, products, or workforce needs;

''(ee) assistance to area employers in the aversion of layoffs and in managing reductions in force in coordination with rapid response activities;

''(ff) the marketing of business services offered under this title, to appropriate area employers, including small and mid-sized employers;

''(gg) information referral on concerns affecting local employers; and

''(hh) other business services and strategies designed to better engage employers in workforce investment activities and to make the workforce investment system more relevant to the workforce investment needs of area businesses, as determined by the local board to be consistent with the objectives of this title.

''(B) WORK SUPPORT ACTIVITIES FOR LOW-WAGE WORKERS.—

''(i) IN GENERAL.—Funds allocated to a local area under 133(b) may be used to provide, through the one-stop delivery system and in collaboration with the appropriate programs and resources of the one-stop partners, work support activities designed to assist low-wage workers in retaining and enhancing employment. The one stop partners shall coordinate the appropriate programs and resources of the partners with the activities and resources provided under this subparagraph.

''(ii) ACTIVITIES.—The activities described in clause (i) may include assistance in accessing financial supports for which such workers may be eligible and the provision of activities available through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate, such as the provision of employment and training activities during nontraditional hours and the provision of on-site child care while such activities are being provided.''; and

(B) by adding after paragraph (3) the following new paragraph:

''(4) INCUMBENT WORKER TRAINING PROGRAMS.—

''(A) IN GENERAL.—The local board may use up to 10 percent of the funds allocated to a local area under section 133(b) to carry out incumbent worker training programs in accordance with this paragraph.

''(B) TRAINING ACTIVITIES.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills necessary to retain employment and avert layoffs.

''(C) EMPLOYER MATCH REQUIRED.—

''(i) IN GENERAL.—Employers participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent workers of the employers. The State board, in consultation with the local board as appropriate, shall establish the required portion of such costs, which may include in-kind contributions. The required portion shall not be less than—

''(I) 10 percent of the costs, for employers with 50 or fewer employees;

''(II) 25 percent of the costs, for employers with more than 50 employees but fewer than 100 employees; and

''(III) 50 percent of the costs, for employers with 100 or more employees.

''(ii) CALCULATION OF MATCH.—The wages paid by an employer to a worker while they are attending training may be included as part of the requirement payment of the employer.''.

SEC. 423. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) STATE PERFORMANCE MEASURES.—

(1) IN GENERAL.—Section 136(b)(1) (29 U.S.C. 2871(b)(1)) is amended—

(A) in subparagraph (A)(i), by striking ''and the customer satisfaction indicator of performance described in paragraph (2)(B)''; and

(B) in subparagraph (A)(ii), by striking ''paragraph (2)(C)'' and inserting ''paragraph (2)(B)''.

(2) INDICATORS OF PERFORMANCE.—Section 136(b)(2) (29 U.S.C. 2871(b)(2)) is amended—

(A) in subparagraph (A)(i)—

(i) by striking ''(except for self-service and information activities) and (for participants who are eligible youth age 19 through 21) for youth activities authorized under section 129'';

(ii) in subclause (II), by striking ''6 months after entry into the employment'' and inserting ''and'' after the semicolon; and

(iii) by striking subclause (III), and inserting the following:

''(III) average earnings from unsubsidized employment.'';

(B) by striking subclause (IV) of subparagraph (A)(i);

(C) by amending subparagraph (A)(ii) to read as follows:

''(ii) CORE INDICATORS FOR ELIGIBLE YOUTH.—The core indicators of performance for youth activities authorized under section 129 shall consist of—

''(I) entry into employment, education or advanced training, or military service;

''(II) attainment of secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent or certificate (including recognized alternative standards for individuals with disabilities); and

''(III) literacy or numeracy gains.'';

(D) by striking subparagraph (B); and

(E) by redesignating subparagraph (C) as subparagraph (B), and by adding at the end of such subparagraph the following new sentence: ''Such indicators may include customer satisfaction of employers and participants with services received from the workforce investment activities authorized under this subtitle.''.

(3) LEVELS OF PERFORMANCE.—Section 136(b)(3)(A) (29 U.S.C. 2871(b)(3)(A)) is amended—

(A) in clause (i), by striking ''and the customer satisfaction indicator described in paragraph (2)(B)'';

(B) in clause (ii), by striking ''and the customer satisfaction indicator of performance, for the first 3'' and inserting ''for the 2'';

(C) in clause (iii)—

(i) in the heading, by striking ''**FOR FIRST 3 YEARS**''; and

(ii) by striking ''and the customer satisfaction indicator of performance, for the first 3'' and inserting ''for the 2'';

(D) in clause (iv)—

(i) by striking subclause (I);

(ii) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(iii) in subclause (I) (as so redesignated)—

(I) by striking ''taking into account'' and inserting ''which shall be adjusted based on'';

(II) by inserting '', such as unemployment rates and job losses or gains in particular industries'' after ''economic conditions''; and

(III) by inserting '', such as indicators of poor work history, lack of work experience, dislocation from high-wage employment, low levels of literacy or English proficiency, disability status, including the number of veterans with disabilities, and welfare dependency'' after ''program'';

(E) by striking clause (v) and redesignating clause (vi) as clause (v).

(4) ADDITIONAL INDICATORS.—Section 136(b)(3)(B) is amended by striking ''paragraph (2)(C)'' and inserting ''paragraph (2)(B)''.

(b) LOCAL PERFORMANCE MEASURES.—Section 136(c) (29 U.S.C. 2871(c)) is amended—

(1) in paragraph (1)(A)(i), by striking '', and the customer satisfaction indicator of performance described in subsection (b)(2)(B),'';

(2) in paragraph (1)(A)(ii), by striking ''subsection (b)(2)(C)'' and inserting ''subsection (b)(2)(B)''; and

(3) by amending paragraph (3) to read as follows:

''(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic characteristics (such as unemployment rates and job losses or gains in particular industries), demographic characteristics, or other characteristics of the population to be served in the local area, such as poor work history, lack of work experience, dislocation from high-wage employment, low levels of literacy or English proficiency, disability status, including the number of veterans with disabilities, and welfare dependency.''.

(c) REPORT.—Section 136(d) (29 U.S.C. 2871(d)) is amended—

(1) in paragraph (1), by striking ''and the customer satisfaction indicator'' in both places that it appears;

(2) in paragraph (2)—

(A) in subparagraph (E), by striking ''(excluding participants who received only self-service and informational activities); and'' and inserting a semicolon;

(B) in subparagraph (F), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(G) the number of participants who have received services other than followup services, authorized under this title, in the form of work ready services described in section 134(d)(2), and training services described in section 134(d)(4), respectively;

''(H) the number of participants who have received followup services authorized under this title; and

''(I) the cost per participant for services authorized under this title.''; and

(3) by adding at the end the following:

''(4) DATA VALIDATION.—In preparing the reports described in this subsection, the States shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the report is valid and reliable.''.

(d) SANCTIONS FOR STATE.—Section 136(g) (29 U.S.C. 2871(g)) is amended—

(1) in paragraph (1)(A), by striking ''or (B)''; and

(2) in paragraph (2), by striking ''section 503'' and inserting ''section 136(i)''.

(e) SANCTIONS FOR LOCAL AREAS.—Section 136(h) (29 U.S.C. 2871(h)) is amended—

(1) in paragraph (1), by striking ''or (B)''; and

(2) by amending paragraph (2)(B) to read as follows:

''(B) APPEAL TO GOVERNOR.—A local area that is subject to a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorganization plan, appeal to the Governor to rescind or revise such plan. In such case, the Governor shall make a final decision not later than 30 days after the receipt of the appeal.''.

(f) INCENTIVE GRANTS.—Section 136(i) (29 U.S.C. 2871(i)) is amended to read as follows:

''(i) INCENTIVE GRANTS FOR STATES AND LOCAL AREAS.—

''(1) INCENTIVE GRANTS FOR STATES.—

''(A) IN GENERAL.—From funds appropriated under section 174, the Secretary may award incentive grants to States for exemplary performance in carrying programs under chapters 4 and 5 of this title. Such awards may be based on States meeting or exceeding the performance measures established under this section, on the performance of the State in serving special populations, including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines is appropriate.

''(B) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under chapters 4 and 5 of this title, including—

''(i) activities that provide technical assistance to local areas to replicate best practices for workforce and education programs;

''(ii) activities that support the needs of businesses, especially for incumbent workers and enhancing opportunities for retention and advancement;

''(iii) activities that support linkages between the workforce and education programs, and secondary, postsecondary, or career and technical education programs, including activities under the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2301 et seq.), the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.), and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

''(iv) activities that support regional economic development plans that support high-wage, high-skill, or high-demand occupations leading to self-sufficiency;

''(v) activities that coordinate the workforce and education programs with other Federal and State programs related to the workforce and education programs;

''(vi) activities that support the development of an integrated performance information system that includes common measures for one-stop partner programs described in section 121;

''(vii) activities that support activities to improve performance in workforce and education programs and program coordination of workforce and education programs; or

''(viii) activities that leverage additional training resources, other than those provided through workforce and education programs, for adults and youth.

''(2) INCENTIVE GRANTS FOR LOCAL AREAS.—

''(A) IN GENERAL.—From funds reserved under sections 128(a) and 133(a), the Governor may award incentive grants to local areas for exemplary performance with respect to the measures established under this section and with the performance of the local area in serving special populations, including the levels of service and the performance outcomes.

''(B) USE OF FUNDS.—The funds awarded to a local area may be used to carry out activities authorized for local areas under chapters 4 and 5 of this title, the Adult Education and Family Literacy Act, and the Rehabilitation Act of 1973 (referred to in this subsection as 'workforce and education programs'), and such innovative projects or programs that increase coordination and enhance service to participants in such programs, particularly hard-to-serve populations, as may be approved by the Governor, including—

''(i) activities that support the needs of businesses, especially for incumbent workers and enhancing opportunities for retention and advancement;

''(ii) activities that support linkages between the workforce and education programs, and secondary, postsecondary, or career and technical education programs, including activities under the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2301 et seq.), the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.), and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

''(iii) activities that support regional economic development plans that support high-wage, high-skill, or high-demand occupations leading to self-sufficiency;

''(iv) activities that coordinate the workforce and education programs with other Federal and State programs related to the workforce and education programs;

''(v) activities that support the development of an integrated performance information system that includes common measures for one-stop partner programs described in section 121;

''(vi) activities that support activities to improve performance in workforce and education programs and program coordination of workforce and education programs; or

''(vii) activities that leverage additional training resources, other than those provided through workforce and education programs, for adults and youth.''.

(g) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—Section 136 (29 U.S.C. 2871) is further amended by adding at the end the following subsection:

''(j) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—In addition to the programs carried out under chapters 4 and 5, and consistent with the requirements of the applicable authorizing laws, the Secretary shall use the core indicators of performance described in subsection (b)(2)(A) to assess the effectiveness of the programs described under section 121(b)(1)(B) that are carried out by the Secretary.''.

(h) REPEAL OF DEFINITIONS.—Sections 502 and 503 (and the items related to such sections in the table of contents) are repealed.

SEC. 424. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH ACTIVITIES.—Section 137(a) (29 U.S.C. 2872(a)) is amended by striking ''such sums as may be necessary for each of fiscal years 1999 through 2003'' and inserting ''such sums as may be necessary for each of fiscal year 2008 through 2012''.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137(b) (29 U.S.C. 2872(b)) is amended by striking ''section 132(a)(1), such sums as may be necessary for each of fiscal years 1999 through 2003'' and inserting ''section 132(a), such sums as may be necessary for each of fiscal years 2008 through 2012''.

(c) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137 is further amended by striking subsection (c).

SEC. 425. JOB CORPS.

(a) PROGRAM ACTIVITIES.—Section 148(a) is amended by striking paragraph (1) and inserting the following:

''(1) IN GENERAL.—Each Job Corps Center shall provide enrollees with an intensive, well organized, and fully supervised program of education, career training, work experience, recreational activities, physical rehabilitation and development, and counseling. Each Job Corps center shall provide enrollees assigned to the center with access to work ready services described in section 134(c)(2).''.

(b) INDUSTRY COUNCILS.—Section 154(b) (29 U.S.C. 2894(b)) is amended—

(1) in paragraph (1)(A), by striking ''local and distant''; and

(2) by adding after paragraph (2) the following:

''(3) EMPLOYERS OUTSIDE OF LOCAL AREAS.—The industry council may include, or otherwise provide for consultation with, employers from outside the local area who are likely to hire a significant number of enrollees from the Job Corps center.

''(4) SPECIAL RULE FOR SINGLE LOCAL AREA STATES.—In the case of a single local area State designated under section 116(b), the industry council shall include a representative of the State Board.''.

(c) INDICATORS OF PERFORMANCE AND ADDITIONAL INFORMATION.—Section 159(c) (29 U.S.C. 2893(c)) is amended—

(1) by amending paragraph (1) to read as follows:

''(1) CORE INDICATORS.—The Secretary shall annually establish expected levels of performance for Job Corps centers and the Job Corps program relating to each of the following core indicators of performance for youth—

''(A) entry into education, employment, military service or advanced training;

''(B) attainment of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent; and

''(C) literacy or numeracy gains.''; and

(2) in paragraph (2), by striking ''measures'' each place it appears and inserting ''indicators''.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 161 (29 U.S.C. 2901) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

(e) REPEAL OF REQUIREMENT RELATING TO FEDERAL ADMINISTRATION.—Section 102 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (Public Law 109–149) is repealed.

SEC. 426. NATIVE AMERICAN PROGRAMS.

(a) ADVISORY COUNCIL.—Section 166(h)(4)(C) (29 U.S.C. 2911(h)(4)(C)) is amended to read as follows:

''(C) DUTIES.—The Council shall advise the Secretary on the operation and administration of the programs assisted under this section.''.

(b) ASSISTANCE TO AMERICAN SAMOANS IN HAWAII.—Section 166 (29 U.S.C. 2911) is further amended by striking subsection (j).

SEC. 427. MIGRANT AND SEASONAL FARMWORKER PROGRAMS.

Section 167(d) is amended by inserting ''(including permanent housing)'' after ''housing''.

SEC. 428. VETERANS' WORKFORCE INVESTMENT PROGRAMS.

Section 168(a)(3)(C) (29 U.S.C. 2913 (a)(3)(C)) is amended by striking ''section 134(c)'' and inserting ''section 121(e)''.

SEC. 429. YOUTH CHALLENGE GRANTS.

(a) IN GENERAL.—Section 169 (29 U.S.C. 2914) is amended to read as follows:

''SEC. 169. YOUTH CHALLENGE GRANTS.

''(a) IN GENERAL.—Of the amounts reserved by the Secretary under section 127(a)(1)(A) for a fiscal year—

''(1) the Secretary shall use not less than 80 percent to award competitive grants under subsection (b); and

''(2) the Secretary may use not more than 20 percent to award discretionary grants under subsection (c).

''(b) COMPETITIVE GRANTS TO STATES AND LOCAL AREAS.—

''(1) ESTABLISHMENT.—From the funds described in subsection (a)(1), the Secretary shall award competitive grants to eligible entities to carry out activities authorized under this section to assist eligible youth in acquiring the skills, credentials and employment experience necessary to succeed in the labor market.

''(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to States, local boards, recipients of grants under section 166 (relating to Native American programs), and public or private entities (including consortia of such entities) applying in conjunction with local boards.

''(3) GRANT PERIOD.—The Secretary may make a grant under this section for a period of 1 year and may renew the grants for each of the 4 succeeding years.

''(4) AUTHORITY TO REQUIRE MATCH.—The Secretary may require that grantees under this subsection provide a non-Federal share of the cost of activities carried out under a grant awarded under this subsection.

''(5) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 as of the time the eligibility determination is made may be eligible to participate in activities provided under this subsection.

''(6) USE OF FUNDS.—Funds under this subsection may be used for activities that are designed to assist youth in acquiring the skills, credentials and employment experience that are necessary to succeed in the labor market, including the activities identified in section 129. The activities may include activities such as—

''(A) training and internships for out-of-school youth in sectors of the economy experiencing or projected to experience high growth;

''(B) after-school dropout prevention activities for in-school youth;

''(C) activities designed to assist special youth populations, such as court-involved youth and youth with disabilities; and

''(D) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education, apprenticeships, and career-ladder employment.

''(7) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) a description of the activities the eligible entity will provide to eligible youth under this subsection and how the eligible entity will collaborate with State and local workforce investment systems established under this title in the provisions of such activities;

''(B) a description of the programs of demonstrated effectiveness on which the provision of the activities under subparagraph (A) are based, and a description of how such activities will expand the base of knowledge relating to the provision of activities for youth;

''(C) a description of the private and public, and local and State resources that will be leveraged to provide the activities described under subparagraph (A) in addition to the funds provided under this subsection and a description of the extent of the involvement of employers in the activities; and

''(D) the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for youth specified in section 136(b)(2)(A)(ii).

''(8) FACTORS FOR AWARD.—

''(A) IN GENERAL.—In awarding grants under this subsection the Secretary shall consider—

''(i) the quality of the proposed activities;

''(ii) the goals to be achieved;

''(iii) the likelihood of successful implementation;

''(iv) the extent to which the proposed activities are based on proven strategies or the extent to which the proposed activities will expand the base of knowledge relating to the provision of activities for eligible youth;

''(v) the extent of collaboration with the State and local workforce investment systems in carrying out the proposed activities;

''(vi) the extent of employer involvement in the proposed activities;

''(vii) whether there are other Federal and non-Federal funds available for similar activities to the proposed activities, and the additional State, local, and private resources that will be provided to carry out the proposed activities;

''(viii) the quality of the proposed activities in meeting the needs of the eligible youth to be served; and

''(ix) the extent to which the proposed activities will expand on services provided under section 127.

''(B) EQUITABLE GEOGRAPHIC DISTRIBUTION.—In awarding grants under this subsection the Secretary shall ensure an equitable distribution of such grants across geographically diverse areas.

''(9) EVALUATION.—The Secretary may reserve up to 5 percent of the funds described in subsection(a)(1) to provide technical assistance to, and conduct evaluations of the projects funded under this subsection (using appropriate techniques as described in section 172(c)).

''(c) DISCRETIONARY GRANTS FOR YOUTH ACTIVITIES.—

''(1) IN GENERAL.—From the funds described in subsection(a)(2), the Secretary may award grants to eligible entities to provide activities that will assist youth in preparing for, and entering and retaining, employment.

''(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to public or private entities that the Secretary determines would effectively carry out activities relating to youth under this subsection.

''(3) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 at the time the eligibility determination is made may be eligible to participate in activities under this subsection.

''(4) USE OF FUNDS.—Funds provided under this subsection may be used for activities that will assist youth in preparing for, and entering and retaining, employment, including the activities described in section 129 for out-of-school youth, activities designed to assist in-school youth to stay in school and gain work experience, and such other activities that the Secretary determines are appropriate.

''(5) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

''(6) ADDITIONAL REQUIREMENTS.—The Secretary may require the provision of a non-Federal share for projects funded under this subsection and may require participation of grantees in evaluations of such projects, including evaluations using the techniques as described in section 172(c).''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 169 to read as follows:

''Sec. 169. Youth challenge grants.''.

SEC. 430. TECHNICAL ASSISTANCE.

Section 170 (29 U.S.C. 2915) is amended—

(1) by striking subsection (b);

(2) by striking

''(a) GENERAL TECHNICAL ASSISTANCE.—'';

(3) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c) respectively, and moving such subsections 2 ems to the left;

(4) in subsection (a) (as redesignated by paragraph (3))—

(A) by inserting ''the training of staff providing rapid response services, the training of other staff of recipients of funds under this title, peer review activities under this title, assistance regarding accounting and program operation practices (when such assistance would not be duplicative to assistance provided by the State), technical assistance to States that do not meet State performance measures described in section 136,'' after ''localities,''; and

(B) by striking ''from carrying out activities'' and all that follows up to the period and inserting ''to implement the amendments made by the Workforce Investment Improvement Act of 2007''; and

(5) by inserting, after subsection (c) (as redesignated by paragraph (3)), the following:

''(d) BEST PRACTICES COORDINATION.—The Secretary shall—

''(1) establish a system through which States may share information regarding best practices with regard to the operation of workforce investment activities under this Act;

''(2) evaluate and disseminate information regarding best practices and identify knowledge gaps; and

''(3) commission research under section 171(c) to address knowledge gaps identified under paragraph (2).''.

SEC. 431. DEMONSTRATION, PILOT, MULTISERVICE, RESEARCH AND MULTISTATE PROJECTS.

(a) DEMONSTRATION AND PILOT PROJECTS.—Section 171(b) (29 U.S.C. 2916(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''Under a'' and inserting ''Consistent with the priorities specified in the'';

(B) by amending subparagraphs (A) through (D) to read as follows:

''(A) projects that assist national employers in connecting with the workforce investment system established under this title in order to facilitate the recruitment and employment of needed workers and to provide information to such system on skills and occupations in demand;

''(B) projects that promote the development of systems that will improve the effectiveness and efficiency of programs carried out under this title;

''(C) projects that focus on opportunities for employment in industries and sectors of industries that are experiencing or are likely to experience high rates of growth, including those relating to information technology;

''(D) projects carried out by States and local areas to test innovative approaches to delivering employment-related services;'';

(C) by striking subparagraph (E);

(D) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively;

(E) in subparagraph (F) (as so redesignated, by striking ''; and'' and inserting a semicolon;

(F) by inserting after subparagraph (F) (as so redesignated) the following:

''(G) projects carried out by States and local areas to assist adults or out of school youth in starting a small business, including training and assistance in business or financial management or in developing other skills necessary to operate a business;''; and

(G) by amending subparagraph (H) to read as follows:

''(H) projects that focus on opportunities for employment in industries and sectors of industries that are being transformed by technology and innovation requiring new knowledge or skill sets for workers, including advanced manufacturing; and''; and

(2) in paragraph (2)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B).

(b) MULTISERVICE PROJECTS.—Section 171(c)(2)(B) (29 U.S.C. 2916(c)(2)(B)) is amended to read as follows:

''(B) NET IMPACT STUDIES AND REPORTS.—The Secretary shall conduct studies to determine the net impacts of programs, services, and activities carried out under this title. The Secretary shall prepare and disseminate to Congress and the public reports containing the results of such studies.''.

SEC. 432. COMMUNITY-BASED JOB TRAINING.

Section 171(d) is amended to read as follows:

''(d) COMMUNITY-BASED JOB TRAINING.—

''(1) DEMONSTRATION PROJECT.—In addition to the demonstration projects under subsection (b), the Secretary may establish and implement a national demonstration project designed to develop local solutions to the workforce challenges facing high-growth, high-skill industries with labor shortages, and increase opportunities for workers to gain access to employment in high-growth, high-demand occupations by promoting the establishment of partnerships among education entities, the workforce investment system, and businesses in high-growth, high-skill industries.

''(2) GRANTS.—In carrying out the demonstration project under this subsection, the Secretary shall award competitive grants, in accordance with generally applicable Federal requirements, to eligible entities to carry out activities authorized under this subsection.

''(3) DEFINITIONS.—

''(A) ELIGIBLE ENTITY.—In this subsection, the term 'eligible entity' means a community college or consortium of community colleges that shall work in conjunction with—

''(i) the local workforce investment system; and

''(ii) business or businesses in a qualified industry or an industry association in a qualified industry.

''(B) QUALIFIED INDUSTRY.—In this subsection, the term 'qualified industry' means an industry or economic sector that is projected to experience significant growth, such as an industry and economic sector that—

''(i) is projected to add substantial numbers of new jobs to the economy;

''(ii) has significant impact on the economy;

''(iii) impacts the growth of other industries and economic sectors;

''(iv) is being transformed by technology and innovation requiring new knowledge or skill sets for workers;

''(v) is a new or emerging industry or economic sector that is projected to grow; or

''(vi) has high-skilled occupations and significant labor shortages in the local area.

''(C) COMMUNITY COLLEGE.—As used in this subsection, the term 'community college' means an institution of higher education, as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001), that provides not less than a 2-year program that is acceptable for full credit toward a bachelor's degree, or is a tribally controlled college or university.

''(4) AUTHORITY TO REQUIRE NON-FEDERAL SHARE.—The Secretary may require that recipients of grants under this subsection provide a non-Federal share, from either cash or noncash resources, of the costs of activities carried out under a grant awarded under this subsection.

''(5) USE OF FUNDS.—Grants awarded under this subsection may be used for—

''(A) the development, by a community college, in consultation with representatives of qualified industries, of rigorous training and education programs related to employment in a qualified industry identified in the eligible entity's application;

''(B) training of adults and dislocated workers in the skills and competencies needed to obtain or upgrade employment in a

qualified industry identified in the eligible entity's application;

''(C) disseminating to adults and dislocated workers, through the one-stop delivery system, information on high-growth, high-demand occupations in qualified industries;

''(D) placing, through the one-stop delivery system, trained individuals into employment in qualified industries; and

''(E) increasing the integration of community colleges with activities of businesses and the one-stop delivery system to meet the training needs for qualified industries.

''(6) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) a description of the eligible entity that will offer training under the grant;

''(B) an economic analysis of the local labor market to identify high-growth, high-demand industries, identify the workforce issues faced by those industries, and potential participants in programs funded under this subsection;

''(C) a description of the qualified industry for which training will occur and the availability of competencies on which training will be based and how the grant will help workers acquire the competencies and skills necessary for employment;

''(D) an assurance that the application was developed in consultation with the local board or boards and businesses, including small businesses, in the geographic area or areas where the proposed grant will be used;

''(E) performance measures for the grant, including expected number of individuals to be trained in a qualified industry, the employment and retention rates for such individuals in a qualified industry, and earnings increases for such individuals;

''(F) a description of how the activities funded by the proposed grant will be coordinated with activities provided through the one-stop delivery system in the local area or areas; and

''(G) a description of any local or private resources that will support the activities carried out under this subsection and allow the entity to carry out and expand such activities after the expiration of the grant.

''(7) FACTORS FOR AWARD OF GRANT.—

''(A) IN GENERAL.—In awarding grants under this subsection the Secretary shall consider—

''(i) the extent of public and private collaboration, including existing partnerships among industries, community colleges, and the public workforce investment system;

''(ii) the extent to which the grant will provide job seekers with employment opportunities in high-growth, high-demand occupations;

''(iii) the extent to which the grant will expand the eligible entity and local one-stop delivery system's capacity to be demand-driven and responsive to local economic needs;

''(iv) the extent to which local businesses commit to hire or retain individuals who receive training through the grant; and

''(v) the extent to which the eligible entity commits to make any newly developed products, such as competencies or training curriculum, available for distribution nationally.

''(B) LEVERAGING OF RESOURCES.—In awarding grants under this subsection, the Secretary shall also consider—

''(i) the extent to which local or private resources, in addition to the funds provided under this subsection, will be made available to support the activities carried out under this subsection; and

''(ii) the ability of an eligible entity to continue to carry out and expand such activities after the expiration of the grant.

''(C) DISTRIBUTION OF GRANTS.—In awarding grants under this subsection the Secretary shall ensure an equitable distribution of such grants across geographically diverse areas.

''(8) PERFORMANCE ACCOUNTABILITY AND EVALUATION.—

''(A) PERFORMANCE ACCOUNTABILITY.—The Secretary shall require an eligible entity that receives a grant under this subsection to report to the Secretary on the employment outcomes obtained by individuals receiving training under this subsection using the indicators of performance identified in the eligible entity's grant application.

''(B) EVALUATION.—The Secretary may require that an eligible entity that receives a grant under this subsection participate in an evaluation of activities carried out under this subsection, including an evaluation using the techniques described in section 172(c).''.

SEC. 433. EVALUATIONS.

(a) IMPACT ANALYSIS.—Section 172(a)(4) (29 U.S.C. 2917(a)(4)) is amended to read as follows:

''(4) the impact of receiving services and not receiving services under such programs and activities on the community, businesses, and individuals;''; and

(b) TECHNIQUES.—Section 172(c) (29 U.S.C. 2917(c)) is amended to read as follows:

''(c) TECHNIQUES.—Evaluations conducted under this section shall utilize appropriate and rigorous methodology and research designs, including the use of control groups chosen by scientific random assignment methodologies, quasi-experimental methods, impact analysis and the use of administrative data. The Secretary shall conduct an impact analysis, as described in subsection (a)(4), of the formula grant programs under subtitle B not later than 2010, and thereafter shall conduct such an analysis not less than once every four years.''.

SEC. 434. NATIONAL DISLOCATED WORKER GRANTS.

(a) IN GENERAL.—Section 173 (29 U.S.C. 2916) is amended—

(1) by amending the designation and heading to read as follows:

''SEC. 173. NATIONAL DISLOCATED WORKER GRANTS.'';

and

(2) in subsection (a)—

(A) by striking ''national emergency grants'' in the matter preceding paragraph (1) and inserting ''national dislocated worker grants''; and

(B) in paragraph (1), by striking ''subsection (c)'' and inserting ''subsection (b)''.

(3) by striking subsections (b) and (e) and redesignating subsections (c), (d), (f), and (g) as subsections (b) through (e), respectively;

(4) in subsection (b)(1)(B) as so redesignated), by striking '', and other entities'' and all that follows and inserting a period; and

(5) in subsection (b)(2)(A) (as so redesignated)—

(A) in clause (iii), by striking ''; or'' and inserting a semicolon;

(B) in clause (iv)(IV) by striking the period and inserting ''; or''; and

(C) by inserting at the end the following:

''(v) is the spouse of a member of the Armed Forces who is on active duty or full-time National Guard duty, or who was recently separated from such duties, and such spouse is in need of employment and training assistance to obtain or retain employment.''.

(b) CONFORMING AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 173 to read as follows:

''Sec. 173. National dislocated worker grants.''.

SEC. 435. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ACTIVITIES.

(a) IN GENERAL.—Section 174(a)(1) (29 U.S.C. 2919(a)(1)) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

(b) RESERVATIONS.—Section 174(b) is amended to read as follows:

''(b) TECHNICAL ASSISTANCE; DEMONSTRATION AND PILOT PROJECTS; EVALUATIONS; INCENTIVE GRANTS.—

''(1) DEMONSTRATION AND PILOT PROJECTS.—There are authorized to be appropriated to carry out section 171, such sums as may be necessary for fiscal years 2008 through 2012.

''(2) TECHNICAL ASSISTANCE, EVALUATIONS.—There are authorized to be appropriated to carry out section 170, section 172, and section 136 such sums as may be necessary for each of fiscal years 2008 through 2012.''.

SEC. 436. REQUIREMENTS AND RESTRICTIONS.

(a) IN GENERAL.—Section 181(c)(2)(A) (29 U.S.C. 2931(c)(2)(A)) is amended in the matter preceding clause (i) by striking ''shall'' and inserting ''may''.

(b) LIMITATIONS.—Section 181(e) (29 U.S.C. 2931(e)) is amended by striking ''training for'' and inserting ''the entry into employment, retention in employment, or increases in earnings of''.

(c) SALARY CAP.—Section 181 (29 U.S.C. 2931) is further amended by adding at the end the following new subsection:

''(g) SALARY AND BONUS LIMITATION.—No funds provided under this title shall be used by a recipient or subrecipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Level II of the Federal Executive Pay Schedule (5 U.S.C. 5313). This limitation shall not apply to vendors providing goods and services as defined in OMB Circular A–133. Where States are recipients of such funds, States may establish a lower limit for salaries and bonuses of those receiving salaries and bonuses from subrecipients of such funds, taking into account factors including the relative cost-of-living in the State, the compensation levels for comparable State or local government employees, and the size of the organizations that administer the programs.''.

(d) REPORTS TO CONGRESS.—Section 185 (29 U.S.C. 2935) is amended—

(1) in subsection (c)—

(A) in paragraph (2), by striking ''and'' after the semicolon;

(B) in paragraph (3), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(4) shall have the option to submit or disseminate electronically any reports, records, plans, or any other data that are required to be collected or disseminated under this title.''; and

(2) in paragraph (e)(2), by inserting ''and the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate,'' after ''Secretary,''.

SEC. 437. NONDISCRIMINATION.

Section 188(a)(2) (29 U.S.C. 2931(a)(2)) is amended to read as follows:

''(2) PROHIBITION OF DISCRIMINATION REGARDING PARTICIPATION, BENEFITS, AND EMPLOYMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with, any such program or activity because of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972), national origin, age, disability, or political affiliation or belief.

''(B) EXEMPTION FOR RELIGIOUS ORGANIZATIONS.—Subparagraph (A) shall not apply to a recipient of financial assistance under this title that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such recipients shall comply with the other requirements contained in subparagraph (A).''.

SEC. 438. ADMINISTRATIVE PROVISIONS.

(a) PROGRAM YEAR.—Section 189(g)(1) (29 U.S.C. 2939(g)(1)) is amended to read as follows:

''(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.''.

(b) AVAILABILITY.—Section 189(g)(2) (29 U.S.C. 2939(g)(2)) is amended by striking ''each State'' and inserting ''each recipient''.

(c) GENERAL WAIVERS.—Section 189(i)(4) (29 U.S.C. 2939(i)(4)) is amended—

(1) in subparagraph (A)—

(A) in the matter preceding clause (i), by inserting '', or in accordance with subparagraph (D)'' after ''subparagraph (B)''; and

(B) by striking clause (ii), the clause (i) designation and the dash preceding such designation, and moving the remaining text flush with the preceding matter; and

(2) by adding the following subparagraph:

''(D) EXPEDITED PROCESS FOR EXTENDING APPROVED WAIVERS TO ADDITIONAL STATES.—In lieu of the requirements of subparagraphs (B) and (C), the Secretary may establish an expedited procedure for the purpose of extending to additional States the waiver of statutory or regulatory requirements that have been approved for a State pursuant to a request under subparagraph (B). Such procedure shall ensure that the extension of such waivers to additional States are accompanied by appropriate conditions relating the implementation of such waivers.''.

SEC. 439. STATE LEGISLATIVE AUTHORITY.

Section 191is amended—

(1) in subsection (a), by striking ''consistent with the provisions of this title'' and inserting ''consistent with State law and the provisions of this title''; and

(2) in subsection (a), by striking ''consistent with the terms and conditions required under this title'' and inserting ''consistent with State law and the terms and conditions required under this title''.

SEC. 440. WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT.

(a) WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT.—Section 192 (29 U.S.C. 2942) is amended to read as follows:

''SEC. 192. WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT.

''(a) WORKFORCE INNOVATION IN REGIONAL ECONOMIC DEVELOPMENT PLANS.—

''(1) IN GENERAL.—The Secretary, in cooperation with other federal agency heads responsible for the administration of programs included in plans submitted under this subsection, may approve Workforce Innovation in Regional Economic Development (in this subsection referred to as WIRED) plans submitted by a State pursuant to paragraph (2) to support the development of regional economies in order to foster economic development, expand employment, and advancement opportunities for workers and to promote the creation of high-skill and high-wage opportunities.

''(2) CONTENTS OF PLAN.—To have a WIRED plan approved under this subsection, a State and the region or regions identified in subparagraph (A) shall jointly submit a plan to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

''(A) the identification of the multi-county region or regions that is to be the focus of the activities provided under the plan, including identification of the communities in the region that share common characteristics, and a description of why the selected area comprises a regional economy;

''(B) a description of the broad-based regional partnership that has been created for the region identified in subparagraph (A) representing the major assets of the region, consistent with the requirements of paragraph (3), and that will assist in developing the economic vision described in subparagraph (D), the strategies described in subparagraph (E), and provide a forum for regional economic decision-making, including a description of the partnership's involvement, particularly that of representatives of affected local boards and chief elected officials, in the development of the plan;

''(C) a description of the assets of the region identified in subparagraph (A), based on a regional assessment, and identification of the strengths, weaknesses, opportunities, and risks based on those assets;

''(D) a description of an economic vision for the region identified in subparagraph (A), based on the identified strengths and assets described in subparagraph (C), and evidence of support for that vision from the broad-based regional partnership described in subparagraph (B);

''(E) a description of the talent development and related strategies that provide a blueprint for how to achieve the economic vision for the region as described in subparagraph (D), including the activities to be carried out under this subsection, consistent with paragraphs (5) and (6), and the identification of specific goals associated with those strategies;

''(F) information on the workforce development programs to be integrated in the region, in accordance with the requirements of paragraph (4), into an integrated workforce development program, including—

''(i) identification of the programs to be integrated;

''(ii) the amount and proportion of the resources available to the region under each of the integrated programs to carry out the strategies described in subparagraph (E);

''(iii) a description of how these resources will be used to accomplish the vision identified in subparagraph (D), including the services to be provided and how such services will be provided, consistent with clause (iv) and paragraph (5);

''(iv) assurances that in carrying out the wired plan—

''(I) the region, through the integrated workforce development program, will maintain a local workforce investment board, or a regional workforce investment board, that is substantially similar to the local workforce investment boards required under section 117 of this Act, that such board will carry out functions that are substantially similar to those described under section 117(d), and, that such region shall submit to the State for approval a local plan for the region that is substantially similar to the local plans required under section 118 of this Act;

''(II) the region, through the integrated workforce development program, will maintain a one-stop delivery system that is consistent with the requirements of section 121 of this Act;

''(III) the region, through the integrated workforce development program, will serve populations consistent with the populations served by the programs being integrated, and will provide universal access to work ready services as described in section 134(d)(2) of this Act;

''(IV) the region, in carrying out the integrated workforce development program, will comply with the veterans' priority of service requirement under section 4215 of title 38, United States Code;

''(V) of the funds expended under the integrated workforce development program each year, not more than 10 percent of such funds will be expended on the costs of administration (as defined by the Secretary);

''(VI) the services provided under the integrated workforce development program will be coordinated with employment-related programs not included under the integrated workforce program;

''(VII) the region, in carrying out the integrated workforce development program, will comply with requirements under this title relating to wage and labor standards (including nondisplacement provisions), grievance procedures and judicial review, and nondiscrimination;

''(G) an assurance that each local workforce board and chief elected official included in the region that will carry out the integrated workforce development plan has approved the plan;

''(H) information on the community and economic development programs, if any, that will provide a portion of funds that will be integrated to carry out the strategies described in subparagraph (E), in accordance with the requirements of paragraph (6), including—

''(i) identification of the included community and economic development programs;

''(ii) the amount and proportion of the resources available to the State under each such program that will be used in the region to carry out the strategies described in subparagraph (E);

''(iii) a description of how these resources will be used to assist in accomplishing the vision identified in subparagraph (D), including the activities to be carried out;

''(I) in addition to the resources described under subparagraphs (F) and (G), identification of other resources that will be used to support the strategies of the region described in subparagraph (E), from a wide range of sources, including foundations, private investment such as venture capital, and federal, state, and local governments.

''(3) BROAD-BASED REGIONAL PARTNERSHIP.—For purposes of this subsection, a broad-based regional partnership—

''(A) shall include—

''(i) representatives from each of the local workforce investment systems in the region identified under paragraph (2)(A), such as the chairpersons or executive directors of affected local workforce investment boards in such region;

''(ii) representatives of the education system in the region identified under paragraph (2)(A), including representatives from each of the following:

''(I) The K–12 public school systems;

''(II) Community colleges; and

''(III) Four-year educational institutions;

''(iii) representatives of businesses and industry associations in the region identified under paragraph (2)(A);

''(iv) the chief elected officials from each of the affected local areas identified under paragraph (2)(A); and

''(v) representatives of local and regional economic development agencies in the region identified under paragraph (2)(A); and

''(B) may include—

''(i) representatives of the philanthropic community;

''(ii) representatives of postsecondary education and training providers in addition to those described in subparagraph (A)(ii);

''(iii) representatives of private investment entities such as seed and venture capital organizations; investor networks; and entrepreneurs;

''(iv) representatives of faith and community-based organizations; and

''(v) representatives of such other Federal, state or local entities and organizations that may enhance the carrying out of the activities of the partnership.

''(4) INTEGRATION OF WORKFORCE DEVELOPMENT SERVICES AUTHORIZED.—

''(A) AUTHORIZATION FOR INTEGRATION.—In carrying out this subsection, the Secretary of Labor, in cooperation with the federal agency heads responsible for the administration of the workforce development programs described in subparagraph (D) that are included in the WIRED plan submitted by the State, shall, upon the approval of the plan submitted under paragraph (2), authorize the State to integrate programs as described in subparagraph (B).

''(B) INTEGRATION.—The authorization shall give the State the authority to integrate, in accordance with such approved plan, the federally-funded programs described in subparagraph (D) that are included in the approved plan, in a manner that integrates those programs into a single, coordinated, comprehensive workforce development program to achieve the economic vision identified in such plan for the region.

''(C) EFFECT ON PROGRAM REQUIREMENTS.—The provisions of the approved grant application and the requirements of this subsection shall supersede the requirements of the statutes authorizing the programs included for integration in such approved plan, except as otherwise specified in this subsection.

''(D) INCLUDED WORKFORCE DEVELOPMENT PROGRAMS.—

''(i) MANDATORY PROGRAMS.—A WIRED plan authorized under this subsection shall include the workforce investment activities for adults authorized under chapter 5 of subtitle B.

''(ii) ADDITIONAL PROGRAMS.—In addition to the integration of the programs described in clause (i) into a single program, a WIRED plan may include integration of one or more of the following programs as part of such single program—

''(I) the program of workforce investment activities for youth authorized under chapter 4 of subtitle B; or

''(II) any of the other required one-stop partner programs and activities described in section 121(b)(1)(B) of this Act.

''(5) WORKFORCE DEVELOPMENT ACTIVITIES TO BE CARRIED OUT UNDER WIRED PLAN.—The workforce development activities carried out under a WIRED plan may include—

''(A) job training and related activities for workers to assist them in gaining the skills and competencies needed to obtain or upgrade employment in industries or economic sectors projected to experience significant growth in the region identified in paragraph (2)(A), including—

''(i) activities supporting talent development related to entrepreneurship and small business development; and

''(ii) the purchase of equipment to train job seekers and workers for high-growth occupations;

''(B) activities to enhance the training and related activities described in subparagraph (A) and to promote workforce development in the region identified in paragraph (2)(A), including—

''(i) the development and implementation of model activities, such as developing appropriate curricula to build core competencies and train workers in the region;

''(ii) identifying and disseminating career and skill information relating to the region;

''(iii) developing or purchasing regional data tools or systems to deepen understanding of the regional economy and labor market; and

''(iv) integrated regional planning, such as increasing the integration of community and technical college activities with activities of businesses and the public workforce investment system to meet the training needs of high growth industries in the region.

''(C) appropriate employment-related activities and services authorized under the workforce development programs that are integrated under the plan in accordance with paragraphs (2)(F) and (4) that will assist achieving the economic vision described in paragraph (2)(D) and in implementing the strategies described in paragraph (2)(E).

''(6) INTEGRATION OF COMMUNITY AND ECONOMIC DEVELOPMENT FUNDS AUTHORIZED.—

''(A) AUTHORIZATION FOR INTEGRATION OF FUNDS.—In carrying out this subsection, the Secretary of Labor, in cooperation with the federal agency heads responsible for the administration of the community and economic development programs described in subparagraph (D) that are included in the WIRED plan submitted by the State, shall, upon the approval of the plan submitted under paragraph (2), authorize the State to integrate the portion of the funds from such programs to assist in implementing such plans.

''(B) INTEGRATION.—The authorization shall give the State the authority to integrate, in accordance with such approved plan, funds provided under programs identified from subparagraph (D) to carry out the community and economic development activities described in paragraph (2)(G).

''(C) EFFECT ON PROGRAM REQUIREMENTS.—The integrated funds may be used, consistent with the description contained in paragraph (2)(G), to carry out any of the activities authorized under any the programs described in subparagraph (D) that are included in the plan.

''(D) INCLUDED COMMUNITY AND ECONOMIC DEVELOPMENT PROGRAMS.—The funds that may be integrated under this paragraph are funds provided under—

''(i) Community Development Block Grants authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301–5321);

''(ii) grants authorized under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.);

''(iii) Public Works and Economic Development Grants authorized under section 201 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141);

''(iv) Rural Business Enterprise Grants authorized under the Consolidated Farm and Rural Development Act (7 U.S.C. 1932);

''(v) Rural Business Opportunity Grants authorized under section 741(a)(11) of the Federal Agriculture Improvement and Reform Act of 1996 (42 U.S.C. 1926(a)(11);

''(vi) grants authorized under the Brownfields Economic Development Initiative; and

''(vii) Rural Housing and Economic Development grants.

''(7) SPECIAL RULE.—If a State elects not to submit a WIRED plan described in paragraph (2) for approval or does not have a plan approved under paragraph (2), the Secretary may approve a WIRED plan submitted by a local workforce investment board or a regional workforce investment board that serves a region within such State, if the plan meets all other requirements of this section.

''(8) PERFORMANCE MEASURES AND REPORTING.—

''(A) PERFORMANCE MEASURES.—The Secretary shall establish performance measures that will be used to evaluate the effectiveness of activities carried out under this subsection and shall require such entities to report to the Secretary on the employment outcomes obtained by individuals receiving training under this subsection using those core indicators of performance described in section 136(b)(2).

''(B) REPORTING.—Each State with an approved plan under this subsection shall ensure that records are maintained and reports are submitted, in such form and containing such information, as the Secretary may require regarding the performance of programs and activities carried out under this subsection.

''(9) TECHNICAL ASSISTANCE AND EVALUATION.—

''(A) TECHNICAL ASSISTANCE.—The Secretary shall provide such staff training, technical assistance, and other activities as the Secretary deems appropriate to support the implementation of this subsection.

''(B) EVALUATION.—The Secretary may require that States with an approved plan under this subsection to participate in an evaluation of activities carried out under this subsection, including an evaluation using the techniques described in section 172(c).

''(10) PLAN REVIEW.—Upon receipt of a WIRED plan from the Governor, the Secretary shall consult with the Federal agency head responsible for the administration of any of the programs included in the plan pursuant to paragraph (4) or (6).

''(11) FEDERAL RESPONSIBILITIES.—

''(A) INTERAGENCY MEMORANDUM OF UNDERSTANDING.—Within 90 days following the date of enactment of this subsection, the Secretary and the federal agency heads responsible for programs that could be included in a plan approved under this subsection pursuant to paragraph (4) or (6) shall enter into an interdepartmental memorandum of agreement providing for the implementation of WIRED plans with respect to the integration of programs and funds administered by each Secretary.

''(B) INTERAGENCY FUNDS TRANSFERS AUTHORIZED.—The Secretary and the federal agency heads responsible for the programs that are included in a plan approved under paragraph (4) or (6) are authorized to take such action as may be necessary to provide for intra-agency or interagency transfers of funds otherwise available to a State in order to further the purposes of this subsection.

''(12) ADMINISTRATION OF FUNDS.—

''(A) SEPARATE RECORDS NOT REQUIRED.—Nothing in this subsection shall be construed as requiring the region to maintain separate records tracing any services or activities conducted under an approved WIRED plan to the programs under which funds were originally authorized, nor shall the State be required to allocate expenditures among such programs.

''(B) SINGLE AUDIT ACT.—Nothing in this section shall be construed to interfere with the ability of the Secretary to fulfill the responsibilities for the safeguarding of Federal funds pursuant to the Single Audit Act of 1984.

''(b) AUTHORITY TO CARRY OUT ADDITIONAL WIRED ACTIVITIES UNDER WIA.—

''(1) AUTHORIZATION FOR USE OF CERTAIN FUNDS UNDER WIA.—Funds available under sections 128(a), 133(a), 171, and 173 of this Act may be used by recipients and subrecipients of those funds for WIRED activities, as defined in paragraph (2), in addition to the other activities for which such funds are authorized to be used.

''(2) DEFINITION.—For purposes of this subsection, WIRED activities include—

''(A) WIRED planning activities, including—

''(i) defining the regional economy;

''(ii) creating a broad-based regional partnership that assists in developing the economic vision described in clause (iv), the strategies described in clause (v), and that provides a forum for regional economic decision-making;

''(iii) conducting an assessment of the regional economy to map the assets of a region and identify the strengths, weaknesses, opportunities and risks based on those assets;

''(iv) developing an economic vision based on those strengths and assets;

''(v) developing strategies and corresponding implementation plans that identify specific goals and tasks and provides a blueprint for how to achieve the economic vision for the region; and

''(vi) identifying resources to support the plan of the region;

''(B) job training and related activities for workers to assist them in gaining the skills and competencies needed to obtain or upgrade employment in industries or economic sectors projected to experience significant growth in the region, including—

''(i) activities supporting talent development related to entrepreneurship and small business development in the region; and

''(ii) the purchase of equipment to train job seekers and workers for high-growth occupations in the region; and

''(C) activities to enhance training and related activities and to promote workforce development in the region, including—

''(i) the development and implementation of model activities, such as developing appropriate curricula to build core competencies and train workers in the region;

''(ii) identifying and disseminating career and skill information relating to the region;

''(iii) developing or purchasing regional data tools or systems to deepen understanding of the regional economy and labor market; and

''(iv) integrated regional planning, such as increasing the integration of community and technical college activities with activities of businesses and the public workforce investment system to meet the training needs of businesses in the region.''.

SEC. 441. GENERAL PROGRAM REQUIREMENTS.

Section 195 (29 U.S.C. 2945) is amended—

(1) in paragraph (7) by inserting at the end the following:

''(D) Funds received by a public or private nonprofit entity that are not described in paragraph (B), such as funds privately raised from philanthropic foundations, businesses, or other private entities, shall not be considered to be income under this title and shall not be subject to the requirements of this section.'';

(2) by adding at the end the following new paragraphs:

''(14) Funds provided under this title shall not be used to establish or operate standalone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 701(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)). For purposes of this paragraph, such an enterprise does not include one-stop centers.

''(15) Any report required to be submitted to Congress, or to a Committee of Congress, under this title shall be submitted to both the chairmen and ranking minority members of the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.''.

Subtitle B—Adult Education, Basic Skills, and Family Literacy Education

SEC. 451. TABLE OF CONTENTS.

The table of contents in section 1(b) is amended by amending the items relating to title II to read as follows:

''TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

''Sec. 201. Short title.
''Sec. 202. Purpose.
''Sec. 203. Definitions.
''Sec. 204. Home schools.
''Sec. 205. Authorization of appropriations.

''CHAPTER 1—FEDERAL PROVISIONS

''Sec. 211. Reservation of funds; grants to eligible agencies; allotments.
''Sec. 212. Performance accountability system.
''Sec. 213. Incentive grants for States.

''CHAPTER 2—STATE PROVISIONS

''Sec. 221. State administration.
''Sec. 222. State distribution of funds; matching requirement.
''Sec. 223. State leadership activities.
''Sec. 224. State plan.
''Sec. 225. Programs for corrections education and other institutionalized individuals.

''CHAPTER 3—LOCAL PROVISIONS

''Sec. 231. Grants and contracts for eligible providers.
''Sec. 232. Local application.
''Sec. 233. Local administrative cost limits.

''CHAPTER 4—GENERAL PROVISIONS

''Sec. 241. Administrative provisions.
''Sec. 242. National Institute for Literacy.
''Sec. 243. National leadership activities.''.

SEC. 452. AMENDMENT.

Title II (29 U.S.C. 2901 et seq.) is amended to read as follows:

''TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

''SEC. 201. SHORT TITLE.

''This title may be cited as the 'Adult Education, Basic Skills, and Family Literacy Education Act'.

''SEC. 202. PURPOSE.

''It is the purpose of this title to provide instructional opportunities for adults seeking to improve their literacy skills, including their basic reading, writing, speaking, and math skills, and support States and local communities in providing, on a voluntary basis, adult education, basic skills, and family literacy education programs, in order to—

''(1) increase the literacy of adults, including the basic reading, writing, speaking, and math skills, to a level of proficiency necessary for adults to obtain employment and self-sufficiency and to successfully advance in the workforce;

''(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;

''(3) assist adults who are parents to enable them to support the educational development of their children and make informed choices regarding their children's education including, through instruction in basic reading, writing, speaking, and math skills; and

''(4) assist immigrants who are not proficient in English in improving their reading, writing, speaking, and math skills and acquiring an understanding of the American free enterprise system, individual freedom, and the responsibilities of citizenship.

''SEC. 203. DEFINITIONS.

''In this title:

''(1) ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION PROGRAMS.—The term 'adult education, basic skills, and family literacy education programs' means a sequence of academic instruction and educational services below the postsecondary level that increase an individual's ability to read, write, and speak in English and perform mathematical computations leading to a level of proficiency equivalent to at least a secondary school completion that is provided for individuals—

''(A) who are at least 16 years of age;

''(B) who are not enrolled or required to be enrolled in secondary school under State law; and

''(C) who—

''(i) lack sufficient mastery of basic reading, writing, speaking, and math skills to enable the individuals to function effectively in society;

''(ii) do not have a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent and have not achieved an equivalent level of education; or

''(iii) are unable to read, write, or speak the English language.

''(2) ELIGIBLE AGENCY.—The term 'eligible agency'—

''(A) means the primary entity or agency in a State or an outlying area responsible for administering or supervising policy for adult education, basic skills, and family literacy education programs in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively; and

''(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

''(3) ELIGIBLE PROVIDER.—The term 'eligible provider' means—

''(A) a local educational agency;

''(B) a community-based or faith-based organization of demonstrated effectiveness;

''(C) a volunteer literacy organization of demonstrated effectiveness;

''(D) an institution of higher education;

''(E) a public or private educational agency;

''(F) a library;

''(G) a public housing authority;

''(H) an institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult education, basic skills, and family literacy education programs to adults and families; or

''(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

''(4) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term 'English language acquisition program' means a program of instruction designed to help individuals with limited English proficiency achieve competence in reading, writing, and speaking the English language.

''(5) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term 'essential components of reading instruction' has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965.

''(6) FAMILY LITERACY EDUCATION PROGRAM.—The term 'family literacy education program' means an educational program that—

''(A) assists parents and students, on a voluntary basis, in achieving the purposes of this title as described in section 202; and

''(B) is of sufficient intensity in terms of hours and of sufficient duration to make sustainable changes in a family, is based upon scientifically based research, and, for the purpose of substantially increasing the ability of parents and children to read, write, and speak English, integrates—

''(i) interactive literacy activities between parents and their children;

''(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children;

''(iii) parent literacy training that leads to economic self-sufficiency; and

''(iv) an age-appropriate education to prepare children for success in school and life experiences.

''(7) GOVERNOR.—The term 'Governor' means the chief executive officer of a State or outlying area.

''(8) INDIVIDUAL WITH A DISABILITY.—

''(A) IN GENERAL.—The term 'individual with a disability' means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990).

''(B) INDIVIDUALS WITH DISABILITIES.—The term 'individuals with disabilities' means more than one individual with a disability.

''(9) INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.—The term 'individual with limited English proficiency' means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding the English language, and—

''(A) whose native language is a language other than English; or

''(B) who lives in a family or community environment where a language other than English is the dominant language.

''(10) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' has the meaning given to that term in section 101 of the Higher Education Act of 1965.

''(11) LITERACY.—The term 'literacy' means an individual's ability to read, write, and speak in English, compute, and solve problems at a level of proficiency necessary to obtain employment and to successfully make the transition to postsecondary education.

''(12) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(13) OUTLYING AREA.—The term 'outlying area' has the meaning given to that term in section 101 of this Act.

''(14) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term 'postsecondary educational institution' means—

''(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor's degree;

''(B) a tribally controlled community college; or

''(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

''(15) READING.—The term 'reading' has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965.

''(16) SCIENTIFICALLY BASED RESEARCH.—The term 'scientifically based research' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(17) SECRETARY.—The term 'Secretary' means the Secretary of Education.

''(18) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

''(19) STATE EDUCATIONAL AGENCY.—The term 'State educational agency' has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

''(20) WORKPLACE LITERACY PROGRAM.—The term 'workplace literacy program' means an educational program that is offered in collaboration between eligible providers and employers or employee organizations for the purpose of improving the productivity of the workforce through the improvement of reading, writing, speaking, and math skills.

"SEC. 204. HOME SCHOOLS.

''Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in an English language acquisition program, a family literacy education program, or an adult education, basic skills, and family literacy education program.

"SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this title $590,127,000 for fiscal year 2008 and such sums as may be necessary for fiscal years 2009 through 2012.

"CHAPTER 1—FEDERAL PROVISIONS

"SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

''(a) RESERVATION OF FUNDS.—From the sums appropriated under section 205 for a fiscal year, the Secretary—

''(1) shall reserve up to 1.72 percent for incentive grants under section 213;

''(2) shall reserve 1.75 percent to carry out section 242; and

''(3) shall reserve up to 1.55 percent to carry out section 243.

''(b) GRANTS TO ELIGIBLE AGENCIES.—

''(1) IN GENERAL.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (g).

''(2) PURPOSE OF GRANTS.—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.

''(c) ALLOTMENTS.—

''(1) INITIAL ALLOTMENTS.—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—

''(A) $100,000, in the case of an eligible agency serving an outlying area; and

''(B) $250,000, in the case of any other eligible agency.

''(2) ADDITIONAL ALLOTMENTS.—From the sums appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sums as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

''(d) QUALIFYING ADULT.—For the purpose of subsection (c)(2), the term 'qualifying adult' means an adult who—

''(1) is at least 16 years of age;

''(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

''(3) does not have a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent; and

''(4) is not enrolled in secondary school.

''(e) SPECIAL RULE.—

''(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title as determined by the Secretary.

''(2) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of Palau shall be eligible to receive a grant under this title until an agreement for the extension of United States education assistance under the Compact of Free Association for the Republic of Palau becomes effective.

''(3) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under this subsection to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subsection.

''(f) HOLD-HARMLESS PROVISIONS.—

''(1) IN GENERAL.—Notwithstanding subsection (c), and subject to paragraphs (2) and (3), for fiscal year 2008 and each succeeding fiscal year, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

''(2) EXCEPTION.—An eligible agency that receives for the preceding fiscal year only an initial allotment under subsection (c)(1) (and no additional allotment under subsection (c)(2)) shall receive an allotment equal to 100 percent of the initial allotment.

''(3) RATABLE REDUCTION.—If for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

''(g) REALLOTMENT.—The portion of any eligible agency's allotment under this title for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this title, shall be available for reallotment from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under this title for such year.

"SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.

''(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, composed of the activities described in this section, to assess the effectiveness of eligible agencies in achieving continuous improvement of adult education, basic skills, and family literacy education programs funded under this title, in order to optimize the return on investment of Federal funds in adult education, basic skills, and family literacy education programs.

''(b) ELIGIBLE AGENCY PERFORMANCE MEASURES.—

''(1) IN GENERAL.—For each eligible agency, the eligible agency performance measures shall consist of—

''(A)(i) the core indicators of performance described in paragraph (2)(A); and

''(ii) employment performance indicators identified by the eligible agency under paragraph (2)(B); and

''(B) an eligible agency adjusted level of performance for each indicator described in subparagraph (A).

''(2) INDICATORS OF PERFORMANCE.—

''(A) CORE INDICATORS OF PERFORMANCE.—The core indicators of performance shall include the following:

''(i) Measurable improvements in literacy, including basic skill levels in reading, writing, and speaking the English language and basic math, leading to proficiency in each skill.

''(ii) Receipt of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent.

''(iii) Placement in postsecondary education or other training programs.

''(B) EMPLOYMENT PERFORMANCE INDICATORS.—Consistent with applicable Federal and State privacy laws, an eligible agency shall identify in the State plan the following individual participant employment performance indicators:

''(i) Entry into employment.

''(ii) Retention in employment.

''(iii) Increase in earnings.

''(3) LEVELS OF PERFORMANCE.—

''(A) ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.—

''(i) IN GENERAL.—For each eligible agency submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult education, basic skills, and family literacy education programs authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

''(I) be expressed in an objective, quantifiable, and measurable form; and

''(II) show the progress of the eligible agency toward continuously and significantly improving the agency's performance outcomes in an objective, quantifiable, and measurable form.

''(ii) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

''(iii) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 3 YEARS.—In order to ensure an optimal return on the investment of Federal funds in adult education, basic skills, and family literacy education programs authorized under this title, the Secretary and each eligible agency shall reach agreement on levels of student performance for each of the core indicators of performance, for the first 3 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan prior to the approval of such plan.

''(iv) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

''(I) how the levels involved compare with the eligible agency's adjusted levels of performance, taking into account factors including the characteristics of participants when the participants entered the program; and

''(II) the extent to which such levels promote continuous and significant improvement in performance on the student proficiency measures used by such eligible agency and ensure optimal return on the investment of Federal funds.

''(v) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR SECOND 3 YEARS.—Prior to the fourth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on levels of student performance for each of the core indicators of performance for the fourth, fifth, and sixth program years covered by the State plan, taking into account the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan.

''(vi) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (iv)(I), the eligible agency may request that the eligible agency adjusted levels of performance agreed to under clause (iii) or (v) be revised.

''(B) LEVELS OF EMPLOYMENT PERFORMANCE.—The eligible agency shall identify, in the State plan, eligible agency levels of performance for each of the employment performance indicators described in paragraph (2)(B). Such levels shall be considered to be eligible agency adjusted levels of performance for purposes of this title.

''(c) DEFINITIONS FOR INDICATORS OF PERFOMANCE.—In order to ensure comparability of performance data across States, the Secretary shall issue definitions for the indicators of performance under paragraph (2).

''(d) REPORT.—

''(1) IN GENERAL.—Each eligible agency that receives a grant under section 211(b) shall annually prepare and submit to the Secretary, the Governor, the State legislature, and eligible providers a report on the progress of the eligible agency in achieving eligible agency performance measures, including the following:

''(A) Information on the levels of performance achieved by the eligible agency with respect to the core indicators of performance and employment performance indicators.

''(B) The number and type of each eligible provider that receives funding under such grant.

''(2) INFORMATION DISSEMINATION.—The Secretary—

''(A) shall make the information contained in such reports available to the general public through publication (including on the Internet site of the Department of Education) and other appropriate methods;

''(B) shall disseminate State-by-State comparisons of the information; and

''(C) shall provide the appropriate committees of the Congress with copies of such reports.

"SEC. 213. INCENTIVE GRANTS FOR STATES.

''(a) IN GENERAL.—From funds appropriated under section 211(a)(1), the Secretary may award grants to States for exemplary performance in carrying out programs under this title. Such awards shall be based on States exceeding the core indicators of performance established under section 212(b)(2)(A) and may be based on the performance of the State in serving populations, such as those described in section 224(b)(10), including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines appropriate.

''(b) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under this title, including demonstrations and innovative programs for hard-to-serve populations.

"CHAPTER 2—STATE PROVISIONS

"SEC. 221. STATE ADMINISTRATION.

''Each eligible agency shall be responsible for the following activities under this title:

''(1) The development, submission, implementation, and monitoring of the State plan.

''(2) Consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title.

''(3) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.

"SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.

''(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under this title for a fiscal year—

''(1) shall use an amount not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of such amount shall be available to carry out section 225;

''(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and

''(3) shall use not more than 5 percent of the grant funds, or $75,000, whichever is greater, for the administrative expenses of the eligible agency.

''(b) MATCHING REQUIREMENT.—

''(1) IN GENERAL.—In order to receive a grant from the Secretary under section 211(b), each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education, basic skills, and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount at least equal to—

''(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

''(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the State.

''(2) NON-FEDERAL CONTRIBUTION.—An eligible agency's non-Federal contribution required under paragraph (1) may be provided in cash or in kind, fairly evaluated, and shall include only non-Federal funds that are used for adult education, basic skills, and family literacy education programs in a manner that is consistent with the purpose of this title.

"SEC. 223. STATE LEADERSHIP ACTIVITIES.

''(a) IN GENERAL.—Each eligible agency may use funds made available under section 222(a)(2) for any of the following adult education, basic skills, and family literacy education programs:

''(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b), including instruction incorporating the essential components of reading instruction and instruction provided by volunteers or by personnel of a State or outlying area.

''(2) The provision of technical assistance to eligible providers of adult education, basic skills, and family literacy education programs, including for the development and dissemination of scientifically based research instructional practices in reading, writing, speaking, math, and English language acquisition programs.

''(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.

''(4) The provision of technology assistance, including staff training, to eligible providers of adult education, basic skills, and family literacy education programs, including distance learning activities, to enable the eligible providers to improve the quality of such activities.

''(5) The development and implementation of technology applications or distance learning, including professional development to support the use of instructional technology.

''(6) Coordination with other public programs, including welfare-to-work, workforce development, and job training programs.

''(7) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education, basic skills, and

family literacy education programs, for adults enrolled in such activities.

''(8) The development and implementation of a system to assist in the transition from adult basic education to postsecondary education.

''(9) Activities to promote workplace literacy programs.

''(10) Activities to promote and complement local outreach initiatives described in section 243(7).

''(11) Other activities of statewide significance, including assisting eligible providers in achieving progress in improving the skill levels of adults who participate in programs under this title.

''(12) Integration of literacy, instructional, and occupational skill training and promotion of linkages with employees.

''(b) COORDINATION.—In carrying out this section, eligible agencies shall coordinate where possible, and avoid duplicating efforts, in order to maximize the impact of the activities described in subsection (a).

''(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

''SEC. 224. STATE PLAN.

''(a) 6-YEAR PLANS.—

''(1) IN GENERAL.—Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 6-year State plan.

''(2) COMPREHENSIVE PLAN OR APPLICATION.—The eligible agency may submit the State plan as part of a comprehensive plan or application for Federal education assistance.

''(b) PLAN CONTENTS.—The eligible agency shall include in the State plan or any revisions to the State plan—

''(1) an objective assessment of the needs of individuals in the State or outlying area for adult education, basic skills, and family literacy education programs, including individuals most in need or hardest to serve;

''(2) a description of the adult education, basic skills, and family literacy education programs that will be carried out with funds received under this title;

''(3) a description of how the eligible agency will evaluate and measure annually the effectiveness and improvement of the adult education, basic skills, and family literacy education programs based on the performance measures described in section 212 including—

''(A) how the eligible agency will evaluate and measure annually such effectiveness on a grant-by-grant basis; and

''(B) how the eligible agency—

''(i) will hold eligible providers accountable regarding the progress of such providers in improving the academic achievement of participants in adult education programs under this title and regarding the core indicators of performance described in section 212(b)(2)(A); and

''(ii) will use technical assistance, sanctions, and rewards (including allocation of grant funds based on performance and termination of grant funds based on nonperformance);

''(4) a description of the performance measures described in section 212 and how such performance measures have significantly improved adult education, basic skills, and family literacy education programs in the State or outlying area;

''(5) an assurance that the eligible agency will, in addition to meeting all of the other requirements of this title, award not less than one grant under this title to an eligible provider that—

''(A) offers flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities, or individuals with other special needs, to participate in adult education, basic skills, and family literacy education programs; and

''(B) attempts to coordinate with support services that are not provided under this title prior to using funds for adult education, basic skills, and family literacy education programs provided under this title for support services;

''(6) an assurance that the funds received under this title will not be expended for any purpose other than for activities under this title;

''(7) a description of how the eligible agency will fund local activities in accordance with the measurable goals described in section 231(d);

''(8) an assurance that the eligible agency will expend the funds under this title only in a manner consistent with fiscal requirements in section 241;

''(9) a description of the process that will be used for public participation and comment with respect to the State plan, which process—

''(A) shall include consultation with the State workforce investment board, the State board responsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, other State agencies that promote the improvement of adult education, basic skills, and family literacy education programs, and direct providers of such programs; and

''(B) may include consultation with the State agency on higher education, institutions responsible for professional development of adult education, basic skills, and family literacy education programs instructors, representatives of business and industry, refugee assistance programs, and faith-based organizations;

''(10) a description of the eligible agency's strategies for serving populations that include, at a minimum—

''(A) low-income individuals;

''(B) individuals with disabilities;

''(C) the unemployed;

''(D) the underemployed; and

''(E) individuals with multiple barriers to educational enhancement, including individuals with limited English proficiency;

''(11) a description of how the adult education, basic skills, and family literacy education programs that will be carried out with any funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;

''(12) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

''(A) how the State will build the capacity of community-based and faith-based organizations to provide adult education, basic skills, and family literacy education programs; and

''(B) how the State will increase the participation of business and industry in adult education, basic skills, and family literacy education programs;

''(13) an assessment of the adequacy of the system of the State or outlying area to ensure teacher quality and a description of how the State or outlying area will use funds received under this subtitle to improve teacher quality, including professional development on the use of scientifically based research to improve instruction; and

''(14) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remediation upon completion of secondary school equivalency programs.

''(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.

''(d) CONSULTATION.—The eligible agency shall—

''(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

''(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

''(e) PLAN APPROVAL.—A State plan submitted to the Secretary shall be approved by the Secretary only if the plan is consistent with the specific provisions of this title.

''SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.

''(a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

''(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

''(1) basic skills education;

''(2) special education programs as determined by the eligible agency;

''(3) reading, writing, speaking, and math programs; and

''(4) secondary school credit or diploma programs or their recognized equivalent.

''(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders within a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.

''(d) DEFINITIONS.—For purposes of this section:

''(1) CORRECTIONAL INSTITUTION.—The term 'correctional institution' means any—

''(A) prison;

''(B) jail;

''(C) reformatory;

''(D) work farm;

''(E) detention center; or

''(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

''(2) CRIMINAL OFFENDER.—The term 'criminal offender' means any individual who is charged with, or convicted of, any criminal offense.

"CHAPTER 3—LOCAL PROVISIONS

"SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.

''(a) GRANTS AND CONTRACTS.—From grant funds made available under section 211(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the conditions and requirements of this title to enable the eligible providers to develop, implement, and improve adult education, basic skills, and family literacy education programs within the State.

''(b) LOCAL ACTIVITIES.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to establish or operate one or more programs of instruction that provide services or instruction in one or more of the following categories:

''(1) Adult education, basic skills, and family literacy education programs (including proficiency in reading, writing, speaking, and math).

''(2) Workplace literacy programs.

''(3) English language acquisition programs.

''(4) Family literacy education programs.

''(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this title shall ensure that—

''(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

''(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

''(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—

''(1) the eligible provider's measurable goals for participant outcomes to be achieved annually on the core indicators of performance and employment performance indicators described in section 212(b)(2);

''(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in exceeding its performance goals in the prior year;

''(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction services, including individuals who are low-income or have minimal reading, writing, speaking, and math skills, or limited English proficiency;

''(4) the program—

''(A) is of sufficient intensity and duration for participants to achieve substantial learning gains; and

''(B) uses instructional practices that include the essential components of reading instruction;

''(5) educational practices are based on scientifically based research;

''(6) the activities of the eligible provider effectively employ advances in technology, as appropriate, including the use of computers;

''(7) the activities provide instruction in real-life contexts, when appropriate, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

''(8) the activities are staffed by well-trained instructors, counselors, and administrators;

''(9) the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, one-stop centers, job training programs, community-based and faith-based organizations, and social service agencies;

''(10) the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

''(11) the activities include a high-quality information management system that has the capacity to report measurable participant outcomes and to monitor program performance against the performance measures established by the eligible agency;

''(12) the local communities have a demonstrated need for additional English language acquisition programs;

''(13) the capacity of the eligible provider to produce valid information on performance results, including enrollments and measurable participant outcomes;

''(14) adult education, basic skills, and family literacy education programs offer rigorous reading, writing, speaking, and math content that are based on scientifically based research; and

''(15) applications of technology, and services to be provided by the eligible providers, are of sufficient intensity and duration to increase the amount and quality of learning and lead to measurable learning gains within specified time periods.

''(e) SPECIAL RULE.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.

"SEC. 232. LOCAL APPLICATION.

''Each eligible provider desiring a grant or contract under this title shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—

''(1) a description of how funds awarded under this title will be spent consistent with the requirements of this title;

''(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult education, basic skills, and family literacy education programs; and

''(3) each of the demonstrations required by section 231(d).

"SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.

''(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

''(1) at least 95 percent shall be expended for carrying out adult education, basic skills, and family literacy education programs; and

''(2) the remaining amount shall be used for planning, administration, personnel and professional development, development of measurable goals in reading, writing, speaking, and math, and interagency coordination.

''(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

"CHAPTER 4—GENERAL PROVISIONS

"SEC. 241. ADMINISTRATIVE PROVISIONS.

''(a) SUPPLEMENT NOT SUPPLANT.—Funds made available for adult education, basic skills, and family literacy education programs under this title shall supplement and not supplant other State or local public funds expended for adult education, basic skills, and family literacy education programs.

''(b) MAINTENANCE OF EFFORT.—

''(1) IN GENERAL.—

''(A) DETERMINATION.—An eligible agency may receive funds under this title for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for activities under this title, in the second preceding fiscal year, were not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult education, basic skills, and family literacy education programs, in the third preceding fiscal year.

''(B) PROPORTIONATE REDUCTION.—Subject to paragraphs (2), (3), and (4), for any fiscal year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort or the aggregate expenditures of an eligible agency for the preceding program year were less than such effort or expenditures for the second preceding program year, the Secretary—

''(i) shall determine the percentage decreases in such effort or in such expenditures; and

''(ii) shall decrease the payment made under this title for such program year to the agency for adult education, basic skills, and family literacy education programs by the lesser of such percentages.

''(2) COMPUTATION.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

''(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult education, basic skills, and family literacy education programs under this title for a fiscal year is less than the amount made available for adult education, basic skills, and family literacy education programs under this title for the preceding fiscal year, then the fiscal effort per student and the aggregate expenditures of an eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.

''(4) WAIVER.—The Secretary may waive the requirements of this subsection for not more than 1 fiscal year, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State or outlying area of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

"SEC. 242. NATIONAL INSTITUTE FOR LITERACY.

''(a) IN GENERAL.—

''(1) PURPOSE.—The purpose of the National Institute for Literacy is to promote the improvement of literacy, including skills in reading, writing, and English language acquisition for children, youth, and adults, through practices derived from the findings of scientifically based research.

''(2) ESTABLISHMENT.—There is established a National Institute for Literacy (in this section referred to as the 'Institute'). The Institute shall be administered under the terms of an interagency agreement entered into, reviewed annually, and modified as needed by the Secretary of Education with the Secretary of Health and Human Services and the Secretary of Labor (in this section referred to as the 'Interagency Group').

''(3) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education, the Department of Health and Human Services, and the Department of Labor.

''(4) ADMINISTRATIVE SUPPORT.—The Department of Education shall provide administrative support for the Institute.

''(5) DAILY OPERATIONS.—The Director of the Institute shall administer the daily operations of the Institute.

''(b) DUTIES.—

''(1) IN GENERAL.—To carry out its purpose, the Institute may—

''(A) identify and disseminate rigorous scientific research on the effectiveness of instructional practices and organizational strategies relating to programs on the acquisition of skills in reading, writing, and English language acquisition for children, youth, and adults;

''(B) create and widely disseminate materials about the acquisition and application of skills in reading, writing, and English language acquisition for children, youth, and adults based on scientifically based research;

''(C) ensure a broad understanding of scientifically based research on reading, writing, and English language acquisition for children, youth, and adults among Federal agencies with responsibilities for administering programs that provide related services, including State and local educational agencies;

''(D) facilitate coordination and information sharing among national organizations and associations interested in programs that provide services to improve skills in reading, writing, and English language acquisition for children, youth, and adults;

''(E) coordinate with the appropriate offices in the Department of Education, the Department of Health and Human Services, the Department of Labor, and other Federal agencies to apply the findings of scientifically based research related to programs on reading, writing, and English language acquisition for children, youth, and adults;

''(F) establish a national electronic database and Internet site describing and fostering communication on scientifically based programs in reading, writing, and English language acquisition for children, youth, and adults, including professional development programs; and

''(G) provide opportunities for technical assistance, meetings, and conferences that will foster increased coordination among Federal, State, and local agencies and entities and improvement of reading, writing, and English language acquisition skills for children, youth, and adults.

''(2) COORDINATION.—In identifying scientifically based research on reading, writing, and English language acquisition for children, youth, and adults, the Institute shall use standards for research quality that are consistent with those established by the Institute of Education Sciences.

''(3) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—

''(A) IN GENERAL.—The Institute may award grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or consortia of such individuals, institutions, agencies, or organizations, to carry out the activities of the Institute.

''(B) REGULATIONS.—The Director may adopt the general administrative regulations of the Department of Education, as applicable, for use by the Institute.

''(C) RELATION TO OTHER LAWS.—The duties and powers of the Institute under this title are in addition to the duties and powers of the Institute under subparts 1, 2, and 3 of part B of the Elementary and Secondary Education Act of 1965 (commonly referred to as Reading First, Early Reading First, and the William F. Goodling Even Start Family Literacy Program, respectively).

''(c) VISITING SCHOLARS.—The Institute may establish a visiting scholars program, with such stipends and allowances as the Director considers necessary, for outstanding researchers, scholars, and individuals who—

''(1) have careers in adult education, workforce development, or scientifically based reading, writing, or English language acquisition; and

''(2) can assist the Institute in translating research into practice and providing analysis that advances instruction in the fields of reading, writing, and English language acquisition for children, youth, and adults.

''(d) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the National Institute for Literacy Advisory Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its purpose. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

''(e) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

''(1) ESTABLISHMENT.—

''(A) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board (in this section referred to as the 'Board'), which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.

''(B) QUALIFICATIONS.—The Board shall be composed of individuals who—

''(i) are not otherwise officers or employees of the Federal Government; and

''(ii) are knowledgeable about current effective scientifically based research findings on instruction in reading, writing, and English language acquisition for children, youth, and adults.

''(C) COMPOSITION.—The Board may include—

''(i) representatives of business, industry, labor, literacy organizations, adult education providers, community colleges, students with disabilities, and State agencies, including State directors of adult education; and

''(ii) individuals who, and representatives of entities that, have been successful in improving skills in reading, writing, and English language acquisition for children, youth, and adults.

''(2) DUTIES.—The Board shall—

''(A) make recommendations concerning the appointment of the Director of the Institute;

''(B) provide independent advice on the operation of the Institute;

''(C) receive reports from the Interagency Group and the Director; and

''(D) review the biennial report to the Congress under subsection (k).

''(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board shall be subject to the provisions of the Federal Advisory Committee Act.

''(4) APPOINTMENTS.—

''(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which one-third of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

''(B) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office.

''(5) QUORUM.—A majority of the members of the Board shall constitute a quorum, but a lesser number may hold hearings. A recommendation of the Board may be passed only by a majority of the Board's members present at a meeting for which there is a quorum.

''(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

''(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

''(f) GIFTS, BEQUESTS, AND DEVISES.—

''(1) IN GENERAL.—The Institute may accept, administer, and use gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

''(2) RULES.—The Board shall establish written rules setting forth the criteria to be used by the Institute in determining whether the acceptance of contributions of services, money, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the ability of the Institute or any employee to carry out the responsibilities of the Institute or employee, or official duties, in a fair and objective manner, or would compromise the integrity, or the appearance of the integrity, of the Institute's programs or any official involved in those programs.

''(g) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

''(h) DIRECTOR.—The Secretary of Education, after considering recommendations made by the Board and consulting with the Interagency Group, shall appoint and fix the pay of the Director of the Institute and, when necessary, shall appoint an Interim Director of the Institute.

''(i) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for level IV of the Executive Schedule.

''(j) EXPERTS AND CONSULTANTS.—The Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

''(k) BIENNIAL REPORT.—

''(1) IN GENERAL.—The Institute shall submit a report biennially to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate. Each report submitted under this subsection shall include—

''(A) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in identifying and describing programs on reading, writing, and English language acquisition for children, youth, and adults for the period covered by the report; and

''(B) a description of how plans for the operation of the Institute for the succeeding 2 fiscal years will facilitate achievement of the purpose of the Institute.

''(2) FIRST REPORT.—The Institute shall submit its first report under this subsection to the Congress not later than 1 year after the date of the enactment of the Workforce Investment Improvement Act of 2007.

''(1) ADDITIONAL FUNDING.—In addition to the funds authorized under section 205 and reserved for the Institute under section 211, the Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor, or the head of any other Federal agency or department that participates in the activities of the Institute may provide funds to the Institute for activities that the Institute is authorized to perform under this section.

''SEC. 243. NATIONAL LEADERSHIP ACTIVITIES.

''The Secretary shall establish and carry out a program of national leadership activities that may include the following:

''(1) Technical assistance, on request, including assistance—

''(A) on request to volunteer community- and faith-based organizations, including but not limited to, improving their fiscal management, research-based instruction, and reporting requirements, and the development of measurable objectives to carry out the requirements of this title;

''(B) in developing valid, measurable, and reliable performance data, and using performance information for the improvement of adult education basic skills, English language acquisition, and family literacy education programs;

''(C) on adult education professional development; and

''(D) in using distance learning and improving the application of technology in the classroom, including instruction in English language acquisition for individuals who have limited English proficiency.

''(2) Providing for the conduct of research on national literacy basic skill acquisition levels among adults, including the number of limited English proficient adults functioning at different levels of reading proficiency.

''(3) Improving the coordination, efficiency, and effectiveness of adult education and workforce development services at the national, State, and local levels.

''(4) Determining how participation in adult education basic skills, English language acquisition, and family literacy education programs prepares individuals for entry into and success in postsecondary education and employment, and in the case of prison-based services, the effect on recidivism.

''(5) Evaluating how different types of providers, including community and faith-based organizations or private for-profit agencies measurably improve the skills of participants in adult education basic skills, English language acquisition, and family literacy education programs.

''(6) Identifying model integrated basic and workplace skills education programs, including programs for individuals with limited English proficiency coordinated literacy and employment services, and effective strategies for serving adults with disabilities.

''(7) Supporting the development of an entity that would produce and distribute technology-based programs and materials for adult education, basic skills, and family literacy education programs using an intercommunication system, as that term is defined in section 397 of the Communications Act of 1934, and expand the effective outreach and use of such programs and materials to adult education eligible providers.

''(8) Initiating other activities designed to improve the measurable quality and effectiveness of adult education basic skills, English language acquisition, and family literacy education programs nationwide.''.

Subtitle C—Amendments to the Wagner–Peyser Act

SEC. 461. AMENDMENTS TO THE WAGNER-PEYSER ACT.

The Wagner-Peyser Act (29 U.S.C. 49 et seq.) is amended—

(1) by striking sections 1 through 13;

(2) in section 14 by inserting ''of Labor'' after ''Secretary''; and

(3) by amending section 15 to read as follows:

''SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

''(a) SYSTEM CONTENT.—

''(1) IN GENERAL.—The Secretary of Labor, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide workforce and labor market information system that includes—

''(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

''(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

''(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

''(iii) the incidence of, industrial and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

''(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

''(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

''(i) shall be current and comprehensive;

''(ii) shall meet the needs identified through the consultations described in subparagraphs (A) and (B) of subsection (e)(2); and

''(iii) shall meet the needs for the information identified in section 134(d);

''(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

''(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

''(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

''(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

''(i) national, State, and local policymaking;

''(ii) implementation of Federal policies (including allocation formulas);

''(iii) program planning and evaluation; and

''(iv) researching labor market dynamics;

''(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

''(H) programs of—

''(i) training for effective data dissemination;

''(ii) research and demonstration; and

''(iii) programs and technical assistance.

''(2) INFORMATION TO BE CONFIDENTIAL.—

''(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

''(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes for which the submission is furnished;

''(ii) disclose to the public any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning an individual subject to be reasonably inferred by either direct or indirect means; or

''(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i),

without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

''(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

''(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

''(b) SYSTEM RESPONSIBILITIES.—

''(1) IN GENERAL.—The workforce and labor market information system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

''(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of workforce and labor market information for the system, shall carry out the following duties:

''(A) Assign responsibilities within the Department of Labor for elements of the workforce and labor market information system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

''(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

''(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

''(D) In collaboration with the Bureau of Labor Statistics and States, develop and maintain the elements of the workforce and labor market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

''(E) Establish procedures for the system to ensure that—

''(i) such data and information are timely;

''(ii) paperwork and reporting for the system are reduced to a minimum; and

''(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels.

''(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE SERVICES.—The Secretary is authorized to assist in the development of national electronic tools that may be used to facilitate the delivery of work ready services described in section 134 and to provide workforce information to individuals through the one-stop delivery systems described in section 121 and through other appropriate delivery systems.

''(d) COORDINATION WITH THE STATES.—

''(1) IN GENERAL.—The Secretary, working through the Bureau of Labor Statistics and the Employment and Training Administration, shall regularly consult with representatives of State agencies carrying out workforce information activities regarding strategies for improving the workforce and labor market information system.

''(2) FORMAL CONSULTATIONS.—At least twice each year, the Secretary, working through the Bureau of Labor Statistics, shall conduct formal consultations regarding programs carried out by the Bureau of Labor Statistics with representatives of each of the 6 Federal regions of the Bureau of Labor Statistics, elected (pursuant to a process established by the Secretary) from the State directors affiliated with State agencies that perform the duties described in subsection (e)(2).

''(e) STATE RESPONSIBILITIES.—

''(1) IN GENERAL.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

''(A) be responsible for the management of the portions of the workforce and labor market information system described in subsection (a) that comprise a statewide workforce and labor market information system and for the State's participation in the development of the annual plan;

''(B) establish a process for the oversight of such system;

''(C) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide workforce and labor market information system;

''(D) consult with State educational agencies and local educational agencies concerning the provision of employment statistics in order to meet the needs of secondary school and postsecondary school students who seek such information;

''(E) collect and disseminate for the system, on behalf of the State and localities in the State, the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

''(F) maintain and continuously improve the statewide workforce and labor market information system in accordance with this section;

''(G) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

''(H) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide workforce and labor market information system;

''(I) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

''(J) participate in the development of the annual plan described in subsection (c); and

''(K) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 to assist the State and other States in measuring State progress on State performance measures.

''(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a Governor to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

''(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

''(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2008 through 2012.

''(h) DEFINITION.—In this section, the term 'local area' means the smallest geographical area for which data can be produced with statistical reliability.''.

Subtitle D—Amendments to the Rehabilitation Act of 1973

SEC. 471. FINDINGS.

Section 2(a) of the Rehabilitation Act of 1973 (29 U.S.C. 701(a)) is amended—

(1) in paragraph (5), by striking ''and'' at the end;

(2) in paragraph (6), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(7) there is a substantial need to improve and expand services for students with disabilities under this Act.''.

SEC. 472. REHABILITATION SERVICES ADMINISTRATION.

Section 3(a) of the Rehabilitation Act of 1973 (29 U.S.C. 702(a)) is amended—

(1) by striking ''Office of the Secretary'' and inserting ''Department of Education'';

(2) by striking ''President by and with the advice and consent of the Senate'' and inserting ''Secretary, except that the Commissioner appointed under the authority existing on the day prior to the date of enactment of the Workforce Investment Improvement Act of 2007 may continue to serve in the former capacity''; and

(3) by striking '', and the Commissioner shall be the principal officer,''.

SEC. 473. DIRECTOR.

(a) IN GENERAL.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) by striking ''Commissioner'' each place it appears, except in sections 3(a) (as amended by section 472) and 21, and inserting ''Director'';

(2) in section 100(d)(2)(B), by striking ''commissioner'' and inserting ''director'';

(3) in section 706, by striking ''commissioner'' and inserting ''director''; and

(4) in section 723(a)(3), by striking ''commissioner'' and inserting ''director''.

(b) EXCEPTION.—Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended—

(1) in subsection (b)(1)—

(A) by striking ''Commissioner'' the first place it appears and inserting ''Director of the Rehabilitation Services Administration''; and

(B) by striking ''(referred to in this subsection as the 'Director')''; and

(2) by striking ''Commissioner and the Director'' each place it appears and inserting ''both such Directors''.

SEC. 474. DEFINITIONS.

Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705) is amended—

(1) by redesignating paragraphs (35) through (39) as paragraphs (36), (37), (38), (40), and (41), respectively;

(2) in subparagraph (A)(ii) of paragraph (36) (as redesignated in paragraph (1)), by striking ''paragraph (36)(C)'' and inserting ''paragraph (37)(C)'';

(3) by inserting after paragraph (34) the following:

''(35)(A) The term 'student with a disability' means an individual with a disability who—

''(i) is not younger than 16 and not older than 21;

''(ii) has been determined to be eligible under section 102(a) for assistance under this title; and

''(iii)(I) is eligible for, and is receiving, special education under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.); or

''(II) is an individual with a disability, for purposes of section 504.

''(B) The term 'students with disabilities' means more than 1 student with a disability.''; and

(4) by inserting after paragraph (38) (as redesignated by paragraph (1)) the following:

''(39) The term 'transition services expansion year' means—

''(A) the first fiscal year for which the amount appropriated under section 100(b) exceeds the amount appropriated under section 100(b) for fiscal year 2004 by not less than $100,000,000; and

''(B) each fiscal year subsequent to that first fiscal year.''.

SEC. 475. STATE PLAN.

(a) COORDINATION WITH EDUCATION OFFICIALS AND ASSISTIVE TECHNOLOGY PROGRAMS.—Section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)) is amended—

(1) in subparagraph (D)(i) by inserting '', which may be provided using alternative means of meeting participation (such as video conferences and conference calls)'' before the semicolon; and

(2) by adding at the end the following:

''(G) COORDINATION WITH ASSISTIVE TECHNOLOGY PROGRAMS.—The State plan shall include an assurance that the designated State unit and the lead agency responsible for carrying out duties under the Assistive Technology Act of 1998 (29 U.S.C. 3001), as amended, have developed working relationships and coordinate their activities.''.

(b) ASSESSMENT AND STRATEGIES.—Section 101(a)(15) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(15)) is amended—

(1) in subparagraph (A)

(A) in clause (i)—

(i) in subclause (II), by striking ''and'' at the end;

(ii) in subclause (III), by adding ''and'' at the end; and

(iii) by adding at the end the following:

''(IV) in a transition services expansion year, students with disabilities, including their need for transition services;''; and

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and inserting after clause (i) the following:

''(ii) include an assessment of the transition services provided under this Act, and coordinated with transition services under the Individuals with Disabilities Education Act, as to those services meeting the needs of individuals with disabilities;''; and

(2) in subparagraph (D)—

(A) by redesignating clauses (iii), (iv), and (v) as clauses (iv), (v), and (vi), respectively; and

(B) by inserting after clause (ii) the following:

''(iii) in a transition services expansion year, the methods to be used to improve and expand vocational rehabilitation services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from the receipt of educational services in school to the receipt of vocational rehabilitation services under this title or to postsecondary education or employment;''.

(c) SERVICES FOR STUDENTS WITH DISABILITIES.—Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is further amended by adding at the end the following:

''(25) SERVICES FOR STUDENTS WITH DISABILITIES.—The State plan for a transition services expansion year shall provide an assurance satisfactory to the Secretary that the State—

''(A) has developed and implemented strategies to address the needs identified in the assessment described in paragraph (15), and achieve the goals and priorities identified by the State, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis in accordance with paragraph (15); and

''(B) from funds reserved under section 110A, shall carry out programs or activities designed to improve and expand vocational rehabilitation services for students with disabilities that—

''(i) facilitate the transition of the students with disabilities from the receipt of educational services in school, to the receipt of vocational rehabilitation services under this title, including, at a minimum, those services specified in the interagency agreement required in paragraph (11)(D);

''(ii) improve the achievement of post-school goals of students with disabilities, including improving the achievement through participation (as appropriate when vocational goals are discussed) in meetings regarding individualized education programs developed under section 614 of the Individuals with Disabilities Education Act (20 U.S.C. 1414);

''(iii) provide vocational guidance, career exploration services, and job search skills and strategies and technical assistance to students with disabilities;

''(iv) support the provision of training and technical assistance to State and local educational agency and designated State agency personnel responsible for the planning and provision of services to students with disabilities; and

''(v) support outreach activities to students with disabilities who are eligible for, and need, services under this title.''.

SEC. 476. SCOPE OF SERVICES.

Section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723) is amended—

(1) in subsection (a), by striking paragraph (15) and inserting the following:

''(15) transition services for students with disabilities, that facilitate the achievement of the employment outcome identified in the individualized plan for employment, including, in a transition services expansion year, services described in clauses (i) through (iii) of section 101(a)(25)(B);'';

(2) in subsection (b), by striking paragraph (6) and inserting the following:

''(6)(A)(i) Consultation and technical assistance services to assist State and local educational agencies in planning for the transition of students with disabilities from school to post-school activities, including employment.

''(ii) In a transition services expansion year, training and technical assistance described in section 101(a)(25)(B)(iv).

''(B) In a transition services expansion year, services for groups of individuals with disabilities who meet the requirements of clauses (i) and (iii) of section 7(35)(A), including services described in clauses (i), (ii), (iii), and (v) of section 101(a)(25)(B), to assist in the transition from school to post-school activities.''; and

(3) in subsection (b) by inserting at the end, the following:

''(7) The establishment, development, or improvement of assistive technology demonstration, loan, reutilization, or financing programs in coordination with activities authorized under the Assistive Technology Act of 1998 (29 U.S.C. 3001), as amended, to promote access to assistive technology for individuals with disabilities and employers.''.

SEC. 477. STANDARDS AND INDICATORS.

Section 106(a) of the Rehabilitation Act of 1973 (29 U.S.C. 726(a)) is amended by striking paragraph (1)(C) and all that follows through paragraph (2) and inserting the following:

''(2) MEASURES.—The standards and indicators shall include outcome and related measures of program performance that—

''(A) facilitate the accomplishment of the purpose and policy of this title;

''(B) to the maximum extent practicable, are consistent with the core indicators of performance, and corresponding State adjusted levels of performance, established under section 136(b) of the Workforce Investment Act of 1998 (29 U.S.C. 2871(b)); and

''(C) include measures of the program's performance with respect to the transition to post-school vocational activities, and achievement of the post-school vocational goals, of students with disabilities served under the program.''.

SEC. 478. RESERVATION FOR EXPANDED TRANSITION SERVICES.

The Rehabilitation Act of 1973 is amended by inserting after section 110 (29 U.S.C. 730) the following:

''SEC. 110A. RESERVATION FOR EXPANDED TRANSITION SERVICES.

''(a) RESERVATION.—From the State allotment under section 110 in a transition services expansion year, each State shall reserve an amount calculated by the Director under subsection (b) to carry out programs and activities under sections 101(a)(25)(B) and 103(b)(6).

''(b) CALCULATION.—The Director shall calculate the amount to be reserved for such programs and activities for a fiscal year by each State by multiplying $50,000,000 by the percentage determined by dividing—

''(1) the amount allotted to that State under section 110 for the prior fiscal year, by

''(2) the total amount allotted to all States under section 110 for that prior fiscal year.''.

SEC. 479. CLIENT ASSISTANCE PROGRAM.

Section 112(e)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 732(e)(1)) is amended by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

''(D) The Secretary shall make grants to the protection and advocacy system serving the American Indian Consortium to provide services in accordance with this section. The amount of such grants shall be the same as provided to territories under this subsection.''.

SEC. 480. PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 509(g)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 794e(g)(2)) is amended by striking ''was paid'' and inserting ''was paid, except that program income generated from such amount shall remain available to such system for one additional fiscal year''.

SEC. 481. CHAIRPERSON.

Section 705(b)(5) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

''(5) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.''.

SEC. 482. AUTHORIZATIONS OF APPROPRIATIONS.

The Rehabilitation Act of 1973 is further amended—

(1) in section 100(b)(1) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(2) in section 100(d)(1)(B) by striking ''fiscal year 2003'' and inserting ''fiscal year 2012'';

(3) in section 110(c) by amending paragraph (2) to read as follows:

''(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2008 through 2012.'';

(4) in section 112(h) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(5) in section 201(a) by striking ''fiscal years 1999 through 2003'' each place it appears and inserting ''fiscal years 2008 through 2012'';

(6) in section 302(i) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(7) in section 303(e) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(8) in section 304(b) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(9) in section 305(b) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(10) in section 405 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(11) in section 502(j) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(12) in section 509(l) by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(13) in section 612 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(14) in section 628 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(15) in section 714 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012'';

(16) in section 727 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012''; and

(17) in section 753 by striking ''fiscal years 1999 through 2003'' and inserting ''fiscal years 2008 through 2012''.

SEC. 483. CONFORMING AMENDMENT.

Section 1(b) of the Rehabilitation Act of 1973 is amended by inserting after the item relating to section 110 the following:

''Sec. 110A. Reservation for expanded transition services.''.

SEC. 484. HELEN KELLER NATIONAL CENTER ACT.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904(a)) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

(b) HELEN KELLER NATIONAL CENTER FEDERAL ENDOWMENT FUND.—The first sentence of section 208(h) of such Act (29 U.S.C. 1907(h)) is amended by striking ''1999 through 2003'' and inserting ''2008 through 2012''.

Subtitle E—Transition and Effective Date

SEC. 491. TRANSITION PROVISIONS.

The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this title.

SEC. 492. EFFECTIVE DATE.

Except as otherwise provided in this title, this title and the amendments made by this title, shall take effect on the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to House Resolution 781, the gentleman from Louisiana (Mr. MCCRERY) and a Member opposed each will control 30 minutes.

Mr. LEVIN. Mr. Speaker, I ask that the time in opposition be controlled by the gentleman from Washington (Mr. MCDERMOTT).

The SPEAKER pro tempore. Is the gentleman from Washington opposed to the amendment?

Mr. MCDERMOTT. Yes.

The SPEAKER pro tempore. The gentleman will control 30 minutes.

The Chair recognizes the gentleman from Louisiana.

Mr. MCCRERY. Mr. Speaker, the amendment I offer, along with Mr. MCKEON, is a substitute for the bill that is before the House this afternoon.

Our amendment would reform and reauthorize for 5 years the Trade Adjustment Assistance program, and we believe our substitute would strengthen and improve not only TAA but the Workforce Investment Act program as well.

□ 1330

Our bill would better equip workers affected by trade, globalization, and other causes of job loss with the skills needed to adjust to changes in the global economy.

Our Republican alternative consists of four related pieces of legislation separately introduced this year. Some of these are under the jurisdiction of the Ways and Means Committee; others are under the jurisdiction of the Education and Workforce Committee.

Among other things, our bill would provide more flexible training options to get people into training sooner and back to good jobs more quickly. For example, we've heard some discussion about the plant closing notice. The bill before the House this afternoon would expand the amount of time from 60 days to 90 days that a plant company would have to give notice to employees of either plant closure or a substantial layoff at that plant.

Under the current constriction of TAA, a worker in that plant wishing to, perhaps, go to job training at night after he gets off work, waiting for the expiration of the 60-day notice or the 90-day notice could not qualify for TAA training benefits. Our substitute would correct that and allow that worker to take advantage of trade adjustment assistance while he is still working in that plant that he knows is going to be closed and where he would lose his job.

Number two, our bill would continue the health coverage tax credit over our bill's 5-year life and increase the premium subsidy from 65 percent to 70 percent. Mr. LEVIN earlier talked about how the current 65-percent credit has not been enough to entice a high number of laid-off workers under TAA to claim that credit and get their health care, their health insurance through that method, and he is right. The take-up rate on this benefit has been lower than we expected, and so some adjustment is necessary. Whether that adjustment, the appropriate one to provide the right level of enticement, is 70 percent, or in their bill 85 percent, we don't know. We are willing to go up on that. We think it is appropriate to do that. We've included 70 percent in our bill. And the House should know that that means that a person who is laid off and who is eligible for trade adjustment assistance can get, under our substitute, 70 percent of the premium paid by the government. So, that laid-off worker would only have to come up with 30 percent of the premium to continue coverage under COBRA or to get some other qualified insurance plan.

Number three, our bill would convert the wage insurance pilot program for older workers into a transitional wage supplement for all TAA workers, regardless of their age. It would be allowed for any worker who became reemployed at low wages, low wages being defined as minimum wage plus $2.40 an hour, and allow them to obtain, at the same time they were getting this wage supplement, the health care tax credit and additional trade adjustment training, which right now, if a person goes back to work, under TAA he is not eligible for those benefits. So our bill would expand the availability of the health care tax credit and job training under TAA for people who go back to work and who are receiving a wage supplement.

Number four, our bill would require indicators of performance to evaluate the Trade Adjustment Assistance programs and their results. Currently, TAA programs have no measure of performance, no way for us to tell if these programs are being effective or if taxpayer dollars are being wasted. Our bill would put in place those indicators of performance to give us the idea of the efficiency of these programs.

Number five, in provisions affecting the unemployment insurance program, our bill would allow States to apply for cost-neutral waivers of current rules to operate wage insurance and other demonstration programs to better assist unemployed workers in returning to work.

Now, Mr. Speaker, I have heard some in opposition to the Republican substitute say that this would allow States to do away with their unemployment insurance benefits. We certainly didn't intend that in our substitute; we don't think that the language would allow that. But in any event, a State would have to get a waiver from the executive branch to take advantage of these provisions, and I doubt seriously if any executive branch under any President would allow a State to just do away with its unemployment insurance benefits. So, I don't really think that's a valid argument in opposition to this increased flexibility that could assist unemployed workers.

And number six, our bill also creates a new trade-related category for qualification under the new markets tax credit. Businesses and communities experiencing adverse economic effects due to trade would qualify for an additional $500 million of new markets tax credits. These tax credits, we believe, would bring significant amounts of private capital into these economically disadvantaged areas to create jobs to replace those that had been lost due to trade.

Mr. Speaker, we believe this substitute is a much more cost-effective approach than that contained in H.R. 3920 and would help all Americans, not just those who lose jobs to trade, get the skills needed to find productive new jobs.

I urge my colleagues to vote for the substitute.

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

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

Mr. Speaker, I want to commend my Republican colleagues for proposing a substitute today. It's healthy for America to see two different views on how we should help dislocated workers.

Democrats want to help more workers who lose their jobs because of trade, especially workers providing services. The Republican substitute says no to helping those workers.

Democrats want to assure more dislocated workers have an opportunity to receive training. The Republican substitute would, instead, cap the amount of training any worker can receive, not to go on and finish a program.

Democrats want to assure health care coverage is affordable for workers losing their jobs by paying 85 percent of their premium. The Republican substitute said, well, 65 wasn't enough, but we'll give you 70. So again, they cut the workers short.

Democrats want a better wage insurance program to help trade-affected workers who are reemployed in jobs that pay less than their prior employment. The Republican substitute guts the program as it presently exists and instead only provides a benefit to those at the very lowest wage jobs.

Republicans don't care if workers have a chance to get a living-wage job; they want to force people back to minimum-wage jobs. Democrats want to help States improve unemployment insurance for all workers who are denied unfairly their benefits, especially women. The Republican substitute goes in the opposite direction by allowing the administration to approve waivers from States that could deny more jobless workers unemployment insurance.

In short, the Democrats want to help workers navigate the global economy. The Republican substitute, on the other hand, tells workers, well, you're still, more or less, on your own.

After this substitute is defeated, I'm hopeful that some of my colleagues on the other side of the aisle will ultimately join us in passing a bill to assist America's workers when they lose their jobs through no fault of their own.

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

Mr. MCCRERY. Mr. Speaker, before yielding to Mr. MCKEON, I want to

point out that the underlying bill, as described by my friend from Washington, does, indeed, double, and then even later triples, the TAA training budget when nearly $300 million of the current budget lies unused. That's just an example of how we think the underlying bill that we oppose goes way too far in expanding this program needlessly.

Mr. Speaker, I yield such time as he may consume to the ranking member of the Education and Labor Committee. I'm sorry, I've been calling it the Education and Workforce Committee. My apologies to the chairman and to the members of that committee. It is now the Education and Labor Committee, and Mr. MCKEON is the ranking member.

Mr. MCKEON. I thank the gentleman for yielding.

You know, it has been 9 years since Congress last reauthorized the Workforce Investment Act, known as WIA. We made dramatic improvements through the last reauthorization, strengthening the nationwide system of one-stop training centers where workers can access a variety of training services.

I remember not too long after we did that, two of the displaced workers in my district, we've lost many jobs for aerospace workers, two of them came up to me and thanked me for having done this because they had been able to go back and get vouchers, receive additional training. One of them was becoming a teacher and one was going to be a computer operator. And we've seen many people benefit from that program. But as yet, it has not been reauthorized this year.

The system has served job seekers well. WIA now integrates employment and training services at the local level in a more unified workforce development system, which it did not do prior to the 1998 reforms. Yet, without renewal today, it cannot possibly keep pace with the rapidly changing needs of workers in a dynamic economy.

Earlier this month, Republicans unveiled a comprehensive road map for reforming both job training and higher education. The Higher Education Act and WIA each play a critical role in keeping Americans competitive by developing the skills and knowledge necessary in a changing economy. Unfortunately, Democrats have not offered proposals to strengthen either of these critical programs.

I am pleased to be joining Representative MCCRERY today in offering a proposal that links our job training reforms with the renewal of the Trade Adjustment Assistance program. These proposals work hand in hand to provide dislocated workers the type of responsive, flexible training and assistance they need to get back to work.

Our proposal will strengthen WIA's infrastructure, eliminate duplication and waste, increase accountability, enhance the role of employers, and increase the State and local flexibility. Together, these reforms will ensure the Nation's workforce development system can respond quickly and effectively to the changing needs of job seekers and those in need of training.

The time for job training is long overdue. The Department of Labor has made efforts to allow flexibility and creativity within the existing system, and numerous stakeholders have proposed innovative new strategies. However, this type of reform has been hampered because Congress has failed to act.

One of the most important steps we can take to strengthen our job training system is to increase program efficiency and focus on results. We must eliminate duplication and redundancy and create a more seamless system that can be flexible based on changing needs.

Our amendment will eliminate current barriers to effective programs and services. We will enhance the services offered to job seekers, providing greater flexibility and eliminating arbitrary requirements that prevent some workers from getting the services they need.

We also plan to restore long-standing hiring protections to faith-based organizations in order to ensure that they are able to participate fully in the job training system.

To foster regional economic development, the Republican plan would allow regional areas to integrate workforce development programs, one-stop services, and community and economic development funds into a comprehensive workforce development system.

Finally, our plan would strengthen programs targeted towards specific populations, improving adult education, vocational rehabilitation, and youth programs.

Mr. Speaker, I support trade adjustment assistance, and I support its extension and renewal.

I want to recognize Representative MCCRERY for his leadership on this important issue. Our amendment will better integrate TAA with other Federal programs to more effectively equip workers affected by trade, globalization and other causes of job loss with skills they need to adapt to the changing global economy. It will join these TAA improvements to long-overdue job training reforms. We need to update these programs to be competitive worldwide.

I urge my colleagues to join me in voting ''yes'' on the Republican substitute, which will provide a comprehensive approach to helping keep America competitive.

Mr. MCDERMOTT. Mr. Speaker, may I inquire as to how much time is remaining on each side.

The SPEAKER pro tempore. The gentleman from Washington has 28 minutes. The gentleman from Louisiana has 17½ minutes.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Speaker, I rise in support of TAA assistance and therefore oppose this weakening amendment.

But we should recognize that TAA is a Band-Aid on a self-inflicted wound. Our trade policies are gutting the American economy far beyond the ability of TAA to ameliorate the pain.

What is obvious is the loss of individual industrial plants. What is less visible is the increase in our interest rates and a decline in our national industrial base.

Today, let us adopt the Band-Aid, but let us not use the presence of those Band-Aids as an excuse for further self-inflicted wounds.

□ 1345

Today, we should pass TAA. Tomorrow, let us stop the bleeding. Let us not adopt trade agreements that increase our trade deficit. And let us begin to renegotiate existing trade agreements so that they are based on results rather than based on form.

Let us build an economy where demand for labor is so high that instead of hearing stories of pain from workers, we are hearing from employers fighting for every available employee. Let us hear of a dollar that is more valuable than the Euro and let us have a trade policy that for every dollar of imports, we match it with a dollar of exports. Until then, there are workers who are in pain, who are casualties of our ill-conceived trade policies. They need and deserve our help.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to Mr. HODES of New Hampshire.

Mr. HODES. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of H.R. 3920 and in opposition to the Republican substitute. Last Tuesday, 303 workers in Groveton, New Hampshire, a small paper mill town, heard over the radio and by newspaper the devastating news that Wausau Paper was closing the mill at the end of the year. On Friday, I sent a letter to Labor Secretary Chao asking for expedited help under the existing TAA, and on Monday I traveled to Groveton and met with a number of the affected workers. It is difficult to describe how devastating this closure is to the town of Groveton, to the families of the workers and to the region. Many of the proud workers of that mill are third and fourth generation. They have got no other skills. This is the life they know.

As I explained on Monday to the workers what kind of help is available in the current TAA, the thought that was going through my mind was that this was not enough. We need to do more. These folks, their family, this community need more and deserve more help from the Federal Government. The ripple effects of this closure are huge. It goes out into the community, to other businesses and vendors. That is why the H.R. 3920 provisions to redevelop communities hit by the loss of manufacturing jobs through the designation of manufacturing redevelopment zones is so important.

We've got more workers who need help. They face harder times and higher costs, especially for health care. We need to expand the TAA. Now is not the time to go backwards. The Republican substitute is no substitute. It takes us backwards. I urge my colleagues to vote against the Republican proposal and support H.R. 3920.

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to Mr. HIGGINS of New York.

Mr. HIGGINS. Mr. Speaker, I represent an area of western New York which includes the Buffalo/Niagara region. Over the past 5 years, that region has lost 25 percent, or 22,000 manufacturing jobs. One of the gentlemen from the other side said that one of the reasons for not updating the program or adjusting it is because there is a $300 million surplus in the program. I would argue that that is the best reason for renewing the program, to include workers who are precluded from benefits today.

I oppose the Republican amendment. The Republican amendment would eviscerate the Trade Adjustment Assistance program and its very purpose. Under the Republican amendment, it would preclude service workers from receiving benefits. Unlike H.R. 3920, the Republican amendment does not cover service workers. Yet according to one study by a leading technology consulting firm, 3.3 million service workers will lose their jobs by 2015.

The Republican amendment would prohibit manufacturing workers whose jobs are offshored to China or India from receiving benefits. Current law precludes those workers from eligibility. 3920 fixes this inequity.

Finally, the Republican amendment would cut worker training benefits. All of the States who have enrolled displaced workers in these programs, the cost exceeds that which is provided in the Republican amendment.

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

The Republican substitute before the House at this time does not eviscerate anything, much less the TAA program which is reauthorized in the substitute for 5 years exactly as it is. The benefits are the same. The amounts are the same. I don't know where the last speaker got his information, but the substitute certainly does not eviscerate the TAA program. It reauthorizes the existing program for 5 years. Then, in addition, we make some changes in the law that allow those benefits under the TAA to be used in instances where under current law they can't be used, and I have described one of those already in my earlier presentation.

So I hope this House doesn't get the wrong impression about this substitute. It certainly endorses the TAA program. We are for the TAA program. We think it is important. But we think our bill gives a lot more flexibility that is needed in the program and some accountability in the program that is needed. In addition to that, we do provide additional funds in our bill, and it is paid for under the PAYGO rules of the House. I just wanted to make that clear.

I reserve the balance of my time.

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. I thank the gentleman for yielding to me and commend him for his leadership on this issue.

Mr. Speaker, I reluctantly rise in opposition to the substitute being offered to us today and in strong support of the Trade and Globalization Assistance Act that we have been debating this afternoon.

I believe that in order to forge a renewed consensus in support of trade in this country, we really need to accomplish three things: One is we need a new template on trade agreements, one that I think will be reflected with the Peru trade agreement that will come to the floor next week that calls for core international labor standards and environmental standards in the bulk of the agreement so we begin to level the trading field.

Another important ingredient is the strong enforcement of trade agreements by this administration and future administrations so that workers and businesses alike know that everyone is playing by the same rules and if they are not, there will be consequences.

Finally, there has to be assurance to the workers of this country that when they do feel the adverse affects of globalization and job displacement or downsizing or outsourcing, there will be adequate programs there to assist them to get on their feet, from job training funding to adequate health care coverage during a very difficult and oftentimes traumatic moment in their lives.

Unfortunately, the substitute falls short in regards to the support mechanism. It precludes service workers from qualifying for these TAA benefits. It prohibits manufacturing workers whose jobs are offshored to China and India from qualifying for these benefits. It also cuts worker training benefits by capping it at $8,000, even though we know that the average State today is spending close to $15,000 for job training benefits.

Finally, they pull up short on the crucial aspect of adequate health care. They move from 60 to 70 percent support for the premiums of workers, whereas we go to 85 percent. And even at 85 percent, that remaining 15 percent can be very, very expensive for the average worker when they have lost their job and they don't have an income. They also don't minimize the gaps in coverage as we do. And they also don't allow the continuation of COBRA coverage for employees as we do in the substitute.

I would encourage my colleagues to support H.R. 3920 and oppose the Republican substitute.

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

Mr. MCDERMOTT. Mr. Speaker, I yield 1½ minutes to Mrs. MCCARTHY of New York.

Mrs. MCCARTHY of New York. Thank you for yielding.

As we have heard today, the TAA program helps hardworking Americans transition to the global economy and adjust to economic changes resulting from the trade policy of the United States. Training and education play a major role in whether workers will have future success on the job. We have seen the dissatisfaction of the American people with the global economy. You have heard from many of my colleagues on how many people have lost jobs. Most of them are manufacturing jobs.

A lot of these people that lose their jobs can be trained. I am happy to say that the Ways and Means Committee worked with me on making sure career and technical schools and colleges have the opportunity to be part of the TAA program. It is important for people to understand when someone is in their late fifties and they lose their job because of the global economy, that they have skills but they need to upgrade those skills for the world that we are seeing in the future. Technical and career colleges offer those particular uses.

I am happy to say that the TAA bill that the Democrats have put forward are going to help our workers throughout this country, and with health care so that they can provide. Our workers are putting in more time than ever before. Our productivity is up. But, again, we have to keep pace with education. I am very happy to say that we are part of that educational system.

This is a good bill. I rise against the Republican substitute because it doesn't fill the bill. We have waited too long to get this done.

Mr. MCCRERY. Mr. Speaker, may I inquire as to the time remaining.

The SPEAKER pro tempore. The gentleman from Louisiana has 16 minutes remaining and the gentleman from Washington has 20 minutes remaining.

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

Mr. MCDERMOTT. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. MCINTYRE).

Mr. MCINTYRE. Mr. Speaker, I oppose the Republican amendment which guts the trade adjustment assistance program's very purpose, which is to be able to help workers affected by trade and globalization get the help they need to get back on their feet and obtain new, good-paying jobs, and I support the underlying bill.

Earlier this year, I joined other members of the North Carolina delegation and introduced a similar bill, H.R. 1729, the Trade Adjustment Assistance Reform Act, whose essential language is mirrored in this bill. The provisions in our original bill were based on the recommendations made by the North

Carolina Dislocated Worker Advisory Committee, a group convened by the North Carolina Rural Economic Development Center that included, among others, leaders from the community college system, the Employment Security Commission and the Workforce Development Division of the North Carolina Department of Commerce.

Mr. Speaker, North Carolina's involvement in the TAA debate is important. Why? Because our State has had the most workers covered by TAA certifications, the most workers benefiting from the health coverage tax credit, and one of the highest number of workers enrolled in TAA-sponsored worker training. In fact, as of August 10 of this year, there were 12,693 TAA participants in North Carolina, including over 9,800 enrolled in training. That is why I am very pleased to support the underlying bill and oppose this Republican amendment.

This bill also expands TAA eligibility to include dislocated workers affected by a shift in production in which the workers' jobs are moved to nations with no preferential trade agreements, such as China. It also gives our States the flexibility and increased funding to meet the increasing demand for services and increases the health coverage tax credit to 85 percent of the dislocated workers' health care premiums. It makes changes to simplify the application process for dislocated workers so that they can get help in a timely manner.

In the last 5 years, Mr. Speaker, North Carolina has been hurt by manufacturing layoffs more than any other State. We have had the most demand for trade adjustment assistance. Therefore, I urge the Congress to oppose this substitute amendment. Let's get on to the business at hand, approve this underlying legislation and have the President sign it into law.

□ 1400

Mr. McCRERY. Mr. Speaker, I yield 4 minutes to the distinguished ranking member of the Trade Subcommittee, the gentleman from California (Mr. HERGER).

Mr. HERGER. Mr. Speaker, I rise in support of an amendment in the nature of a substitute to H.R. 3920 offered by Mr. McCRERY and Mr. McKEON. In particular, I would like to focus on the provisions in this amendment that would provide TAA participants with quicker access and more flexible training options to obtain the skills they need to return to work as quickly as possible.

H.R. 3920 contains some TAA training reform, but it is largely geared towards keeping people in TAA longer, and is costly. In contrast, this amendment provides much greater individual choice and more flexible access to training through a new approach designed to get people into training sooner and better equip them to get back to work more quickly. For example, this amendment would improve TAA participants' access to training and education by: one, providing New Economy Scholarships of up to $8,000 that a participant can use over a 4-year period in a range of training programs; and, secondly, authorizing $50 million for new capacity building grants for community colleges and other training providers to offer enhanced training to more TAA participants.

This amendment also would provide TAA participants with more flexible training options that are not available under current law, including allowing participants to combine full-time work with either full-time or part-time training, or combine part-time work with either full-time or part-time training; and allowing training programs that lead to a license, certificate or community college degree and are linked to a high-demand occupation, as well as apprenticeship programs.

Moreover, this amendment would enable TAA participants to begin training sooner, even prior to layoff. This amendment also allows workers to focus on a job search sooner, while receiving income support, without also having to be in training or obtain a training waiver, which is required today. This amendment also would encourage better allocation of current training funds for the States, which have not been fully used, by requiring the Department of Labor to report to Congress every 6 months on this funding allocation.

Mr. Speaker, I believe this amendment makes meaningful training reforms to TAA that would provide more flexible options to participants and better enable them to gain the skills they need to return to work sooner. I urge my colleagues to support the amendment in the nature of a substitute.

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

Mr. MEEK of Florida. Mr. Speaker, it is an honor being here to address this piece of legislation, TAA legislation especially, better known as the Trade and Globalization Assistance Act. It is very, very important to the progress of trade. Also, it is important to many States out there in the Union. I think it is important. I stand to oppose the Republican amendment to this great piece of legislation, because if you adopt their amendment, you're doing less than what we would like to do in the present legislation that is on the floor today.

Mr. Speaker, when it comes down to training funds, this bill doubles the current training funding cap from $220 million to $440 million and increases it to $660 million by 2010. This is music to the ears of so many States and especially individuals that have lost their jobs because of trade, because of globalization.

So we are here on the floor, especially with me being a member of the Subcommittee on Trade, we are here on the floor to promote not only training, but also assisting those States that are led by Democrat and Republican Governors. So I share with all of my colleagues here on the floor: Do what is right. To say that we can cut things in half or keep things at status quo and still do a good job by allowing individuals that have lost their jobs the assistance that they need as relates to training, as it relates to health care, is just not living in the real world.

I encourage the Members to vote against the Republican amendment, oppose it, and support the Trade and Globalization Assistance Act that is brought by the majority. I know that it will be a bipartisan vote in the final analysis.

Mr. McCRERY. Mr. Speaker, unless the cavalry comes riding over the hill, I only have one remaining speaker.

Mr. McDERMOTT. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. HINOJOSA).

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

Mr. HINOJOSA. Mr. Speaker, I rise in opposition to the McCrery amendment in the nature of a substitute. I support the underlying bill, H.R. 3920, which is important to our State of Texas and to our Nation. The Education and Labor Committee, on which I serve, is separately considering the reauthorization for the Workforce Investment Act. The Trade and Globalization Assistance Act is not the appropriate bill for addressing it. Rather than address the root causes of why little actual job training services are provided under WIA, the McCrery substitute gives Governors and not consumers, the American workers, greater control over critical resources.

Mr. Speaker, most alarming is the fact that the minority believes it can simply change the bureaucratic elements of the WIA system and ensure those who need training receive it. Actual job training has fallen 50 percent under WIA, compared to JTPA. Only 200,000 adults and dislocated workers have received training, out of 8 million unemployed individuals. The Department of Labor estimates that less than 50 percent under WIA funds are being used for core, intensive and training services. In real terms, appropriations for WIA have dropped by over $1 billion during this administration's clock in the last 6 years. Just this past year this administration has proposed a cut of $1 billion, including a rescission. Fortunately, our Appropriations Committee has restored this funding.

It should also be noted that WIA expired in 2003, and the minority had ample opportunity to reauthorize WIA but failed to do so. Representative McKEON only introduced the WIA reauthorization bill earlier this month, essentially with the same proposals that failed to pass the previous two Congresses. Moreover, given the length of time that has transpired from the 108th Congress when the Workforce Investment Act was due to be reauthorized,

until today, it is essential that we give this critical piece of legislation a fresh look.

Mr. Speaker, we have a changing economy and labor force, which means that there are new challenges and new opportunities that we should consider. The Education and Labor Committee has actively begun the WIA reauthorization process. The Subcommittee on Higher Education, of which I am the chairman, held two hearings in June and July, and received recommendations from stakeholders on WIA reauthorization. The subcommittee also asked all interested parties to submit proposals to the committee, and the committee staff is reviewing those recommendations that have been submitted by over two dozen organizations and continues to meet with interested groups on WIA. Committee staff has offered to work with the minority staff as WIA proceeds through the committee.

Regrettably, WIA programs have suffered funding cuts over the past 7 years, largely because the administration requested the cuts and opposed congressional efforts to approve WIA funding.

Mr. Speaker, I urge my colleagues to reject the substitute amendment and to vote for passage of the underlying bill.

Regrettably, WIA programs have suffered funding cuts over the past 7 years largely because the administration has requested the cuts and opposed congressional efforts to improve WIA funding. It is my hope that we can generate bipartisan support to reverse that trend.

I urge my colleagues to reject the substitute amendment and to vote for passage of the underlying bill.

Mr. McDERMOTT. Mr. Speaker, I yield 1½ minutes to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Speaker, I rise in opposition to the McCrery substitute and in support of the Rangel-Levin-McDermott underlying bill.

As we continue to expand and open our markets to new competition, we have an economic and a moral responsibility to ensure that our domestic workers are equipped with the necessary skills and tools to compete in a global market.

I support free trade, which is all the more reason to support the reforms and expansion of a program that will help our workers adversely affected by trade and the globalization of our economy. It is estimated that more than 3 million service workers' jobs will go overseas by 2015, so the expansion of coverage to the service workers section is especially important and appropriate.

But the McCrery substitute will limit trade assistance adjustment by not offering any support to service or public sector workers. The substitute will also set a cap on available training funds, denying many workers the tools and resources to be more competitive in the global economy. And as I read the language of the substitute, for the first time of the 70-year history of the unemployment insurance system, the substitute would allow States to deny unemployment insurance benefits to dislocated workers. The underlying bill provides American workers with the support and tools needed to expand job training opportunities and transition workers into 21st century jobs.

This bill, H.R. 2930, triples the current job training cap to $660 million by 2010 and increases the health care premium subsidy to 85 percent. This is an important investment in the American workforce to enable Americans to remain competitive in the global economy.

So I ask my colleagues to vote against the Republican substitute and vote for H.R. 2930, the McDermott-Rangel-Levin bill.

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

Mr. Speaker, I would point out that service workers today are entitled to unemployment insurance benefits, and that is the primary form of income support under TAA. But to expand to service workers all of the other array of benefits under the TAA may be premature.

In a bill that passed this Congress and was signed by the President earlier this year, there was a mandate for a study to look at service workers and the impact of trade on service workers. We don't yet have, obviously, the results of that study, so it may be premature to just willy-nilly offer all these benefits to service workers.

And while Mr. MORAN spoke about some projection of losses of service worker jobs over the next 10 or so years, in an April 2007 paper, the Peterson Institute for International Economics evaluated data on the extent of the impact of off-shoring on service sector labor markets in the United States, and their review of the data concluded that just under 1 million American service workers lost their jobs from 2004 to 2005 due to mass layoffs of 50 or more employees, while 8 million service sector jobs were created during that time. And of those 1 million jobs lost, only about 4 percent could be attributed to off-shoring or offshore outsourcing.

So I think the question of the impact of trade on the service sector is certainly an open one, and the House may be well advised to wait for the results of the study that we mandated in previous legislation that passed this year.

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

Mr. McDERMOTT. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. GEORGE MILLER).

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for yielding, and I rise in opposition to this substitute and in strong support of the underlying legislation.

I really want to say that I think that this is the bare minimum that a society and a government can do for those members of our society that find themselves in a situation, really through no fault of their own, that they suffer job loss because of a decision that is made to close a facility or to transfer their job overseas.

What we have now seen over the last decade is that there has been a huge impact in families all across this country, in all different parts of the region of this country, that have been economically severely displaced, that have had to scramble to try and get job training, to get health care, to get a new job, to get a new profession, to get a new occupation. At first, people thought it was only limited to those who did hot, heavy, dirty, nasty jobs. But that is not the case. What we see is, with the continued trend toward globalization and outsourcing, that it can impact all different classes of Americans.

But at a minimum, what we ought to do is make sure that those people have some ability to make a transition to that new job, to that new profession, to retirement if they are older workers, and not risk losing everything that they built up during the time that they were holding their jobs. They should not be in a position where they are scrambling to try to find health care, job training, saving their home, maybe their kids' education, and maybe even the car they need to go to work. Too often, that is what happens in this country because of the inadequacies of these underlying laws. Trade assistance over the last decade, WIA over the last decade, have not provided comprehensive services for these workers that they can fully engage in.

□ 1415

We need these kinds of changes that are presented by the committee bill coming out of Ways and Means. I believe we need the notification provisions that came out of the Education and Labor Committee, and clearly we need an extension of the COBRA benefits for people who find themselves in great jeopardy of not only temporarily losing health care, but very likely permanently losing health care until they are eligible for Medicare because they may have health conditions that are preexisting and it is either so expensive to get an individual policy or people won't write that policy for them, for whatever excuses they have to cover up the idea of a preexisting condition.

So this is a basic fundamental compact between this government that has made a decision, I think properly so, to engage the rest of the world through trade agreements and globalization, but we have to look at what happens here at home. These trade agreements are now being strengthened through the good work of Mr. RANGEL and the committee and Mr. LEVIN and others, to provide for ILO labor standards overseas so we can compete on a fairer basis with workers overseas, with environmental standards so we don't let them subsidize products by just dumping toxins into the rivers and bays and oceans.

This is an important piece of legislation, and I urge my colleagues to support it.

Mr. McDERMOTT. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, my distinguished colleague from Louisiana keeps worrying about the fact that we are mischaracterizing his amendment. I want to take a specific because the whole question of putting a cap on training benefits is a cut in benefits from what we presently have. The unworkable thing that was in the law before, when you cap at $4,000 the amount per year that a worker can get, a total of $8,000 over a 2-year period, in Minnesota and Maine, 50 percent of the workers spend $10,000. Thirty percent of the TAA workers in Pennsylvania spend more than $15,000 over 10 years. Twenty-five percent of the people in South Carolina spend over $15,000. Eighty percent of the workers in Nebraska spend more than $10,000.

Now, when you put that cap on there, you are saying to a 45- or 50-year-old worker who used to make 35, 40, 45, 50, $55,000, we are not going to give you sufficient money to really retrain for a job that you had equivalent in pay before. You are saying whatever you can get for four grand, fine, that's it. But if it takes more than that, well, you're on your own.

This bill is designed to try and help workers who were the middle class in this country, people who were making livable wages. Now, you also say in your bill that your wage insurance, it used to be in the present bill if you were over 50 and your job was making less than $50,000 a year, you could receive up to an additional $5,000 if you took a job that paid less than you were making before.

Now, what you've done in this bill, in this amendment you offer, you say we will give you a minimum wage job, and if you don't make an additional $2.40 above that minimum wage in your State, then we will sort of give you a little cushion up to that $2.40. That is pushing people to low-wage jobs. You are taking those $50,000-a-year people who were working in auto factories and working in manufacturing jobs across this country and you are saying, go out and get yourself a minimum wage job and we'll give you an extra $2.40 an hour. My, aren't we generous.

And you understand why we talk about you gutting what miserable program you put in place in the first place.

This bill that we have put together here today is one that will allow States, and the reason why we put additional money in for training is no one could use it before. They will under our bill.

Mr. McCRERY. Mr. Speaker, in response to the remarks of my friend from Washington, I would point out that using Bureau of Labor statistics, the average cost of training under current law is only $3,000. So the $8,000 New Economy Scholarship in our substitute more than doubles the amount available.

In the case of remedial education, the scholarship amounts to an extra $1,000, nearly tripling the average cost of training.

The most common provider of occupational training is the local community or technical college. The limit of $8,000 over 2 years is significantly greater than the average cost of a 2-year program at a community college, and is similar to limits that apply to other Federal postsecondary assistance.

Under current law, Mr. Speaker, while there is no specific monetary limit, as there is in our substitute, the cost of training must be reasonable and that reasonableness is decided by the various States. So the amount that is available is subject to judgment and to uncertainty. Our substitute removes that uncertainty so that a person knows going in how much he is going to have to spend on training.

Our substitute significantly enhances access to training by removing additional eligibility criteria and allowing people who do get new jobs to use the training benefit unlike current law. So we expand current law in that regard with respect to training benefits.

Mr. Speaker, I hope the gentleman from Washington has listened to my rebuttal and is convinced now that we don't gut the training benefits in TAA. If he is not, though, if he will vote for the substitute, I look forward to working with him to smooth out the complaints that he has.

I reserve the balance of my time.

Mr. McDERMOTT. I wish you and I could have a debate.

Mr. Speaker, I yield 2 minutes to Mr. SESTAK, the gentleman from Pennsylvania.

Mr. SESTAK. Mr. Speaker, I watched the world change during nearly four decades in the Navy, having joined up in 1970. I have been almost everywhere. Several decades ago I went to China and to the United Arab Emirates when they were not the powers they are today.

The strength of our international trade is absolutely crucial to the economic prosperity and global competitiveness of our Nation. But there are consequences of globalization, and we must address them if we are to remain and have a fully skilled workforce that can continue to compete.

This is why trade adjustment assistance is so important. It ensures the transition of the workforce that is negatively impacted by trade to step back and to receive the tools that prepare them to reenter the workforce at a higher, more skilled, competitive level. Good for them. Good for America.

The substitute amendment removes this focus on ensuring a more wealthy economy because of a retrained workforce. It actually caps retraining funding at $8,000, less than all but one State. This, when economists state that if our competitive ability, based on an innovative, skilled workforce, does not change, China will be the number one economy by 2050 and India number two. We will be number three.

As service workers have grown to be a more significant part of the economy than they were when the initial Trade Assistance Act was passed in 1962, it is vitally important that we invest in their retraining also.

The substitute amendment would actually remove these workers, needed to be re-skilled for our economic future, from the bill. And at a time when health care premiums have risen as a not-so-hidden tax, 70 percent in the last 6 years, the substitute amendment does nothing to fix the flaws in the old Trade Assistance Act that precludes families from receiving the health care tax credit for which they are eligible.

In short, having visited the UAE and China decades ago, and seeing them now, there is no question that a small investment in a healthy, educated and retrained workforce is needed to preclude our economy from being number three.

We want the same quality of life our forefathers had when they invested in the GI bill, and this is no different. This is a small investment so we give the quality of life we had to our children.

Mr. McDERMOTT. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

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

Mr. LEVIN. The choice is clear. We have heard your rebuttal. Your bill does really nothing about the problem for people in manufacturing. If there is an outsourcing to China, the workers are out in the cold. That is cold, not like you. But it is cold.

Service employees, why distinguish? It is an increasing part of our economy. You do nothing.

In health care you put a little patch on a big problem, and that is not good health care.

Essentially what you are trying to do with your substitute is to minimize the problem rather than maximizing an effective response. The 3 percent figure as to the impact of trade is really out of thin air. It is surely not true of manufacturing. Not at all true. Some who served in Republican administrations say it has been much more than that.

In the capping of training, we heard the response from the representative of the administration. That $3,000 figure at best is an average, and even that is indefensible. Mr. McDERMOTT read to you the number of States where training is much higher, so you essentially cut the worker off halfway. That's what you are going to do in terms of training.

Seven States ran out of resources in 2007, nine in 2006; you do nothing. We need a new trade policy. We need a new, vigorous TAA. We need more than a pat on the back.

Our bill does what needs to be done. I am afraid the substitute at best is a

pat on the back. Let's vote it down. Let's have a bipartisan vote for this TAA. Bipartisan, as we did in the Ways and Means Committee. Bipartisan.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LYNCH). The Chair reminds Members that all remarks in debate are to be addressed to the Chair.

Mr. MCCRERY. Mr. Speaker, may I inquire how much time remains on each side.

The SPEAKER pro tempore. The gentleman from Louisiana has 9 minutes remaining and the gentleman from Washington has 2 minutes remaining.

Mr. MCCRERY. Mr. Speaker, I yield myself such time as I may consume just one more time to try to rebut the characterization of the other side of our substitute with respect to training.

The information that we have, and we think it is reliable, is that no State ran out of training money, but obviously the majority has different information and at some point during the process we would love to sit down with them and examine their data and our information to see if there is some way to reconcile those and arrive at a conclusion that we both can embrace. We have not had that opportunity other than the limited debate we had in committee and now here on the floor, and we are hearing the same thing on the floor we heard in committee and so we haven't reconciled those differences. But clearly there are differences in the data that each of us thinks is reliable.

Mr. MCDERMOTT. Would the gentleman yield?

Mr. MCCRERY. I would be happy to yield.

Mr. MCDERMOTT. You will concede that the Department of Labor says that no State ran out of money, but that GAO said that nine States ran out of money, that there is an argument about how the States keep their books, will you not?

Mr. MCCRERY. Yes. As I said, I think each side has information that it deems reliable, but we have attempted to try to reconcile those two different sets of data. I am hopeful we will do that before this process is over.

Mr. MCDERMOTT. I hope you understand we put in more money because we hoped to cover more people.

Mr. MCCRERY. Absolutely.

Mr. MCDERMOTT. If we change some of the regulations, it will be more accessible to people.

Mr. MCCRERY. Absolutely. I do understand that. We, of course, as you know, question the need right now to include all those additional people, as I have talked about before, with respect to services workers.

□ 1430

But our substitute with respect to the universe of people presently covered under law by the Trade Adjustment Assistance, we think the training money in our substitute is more than adequate to cover the needs of that population with respect to training.

Mr. Speaker, I have one remaining speaker. The gentleman from Washington only has 2 minutes remaining, but are you ready to close?

Mr. Speaker, with your permission, I'll close for our side.

Mr. MCDERMOTT. Mr. Speaker, do you have the right to close? I think you have the right to close.

The SPEAKER pro tempore. Under the rules of the House, the gentleman opposing the amendment has the right to close, the gentleman from Washington.

Mr. MCDERMOTT. We have the right to close?

The SPEAKER pro tempore. You have the right to close, that's correct.

Mr. MCCRERY. Oh, well, thank you for the kind offer. I'm happy to close at this time, Mr. Speaker.

I think we've had a good debate today on the different approaches that the majority and minority have at this point on the Trade Adjustment Assistance Act. We certainly understand the importance of providing an array of benefits to people in this country who lose their jobs because of trade, and certainly Chairman RANGEL and I have talked and agreed that it's necessary for Congress to take action and to make sure that people in this country know that as we expand trade, that the benefits of trade expansion will be uneven. And there will be some in this country who will lose their jobs because of that expansion of trade, and we need to be prepared to assure those people that we will help them give them that helping hand to lift them up after they've lost that job and find training, education, whatever is necessary to get them a new job if they desire, and in the meantime give them benefits that will allow them to take care of themselves and their families.

So we agree on the importance of this program. I had hoped we would have had more give-and-take over the last couple of months with respect to crafting a bipartisan approach to reauthorizing the program, not only because the program was originally a bipartisan program, but also because we are trying, some of us on both sides of the aisle are trying to rebuild that bipartisan coalition for the expansion of trade around the world, knocking down trade barriers to our goods and services, to make the playing field more level for United States producers of products and services. And as we attempt to create or recreate that bipartisan coalition for the expansion of trade, we understand that one leg of that effort has got to be reauthorizing and strengthening not only TAA, but perhaps even going beyond the current universe of beneficiaries of a Trade Adjustment Assistance program and looking at enhancing the benefits of all workers who lose their jobs, not just because of trade but perhaps due to things that are more in the rubric of globalization but not specifically trade.

So I'm glad that we have this bill before the House today. I'm hopeful that we can reauthorize in some form this very important program before the end of this year. I regret that I cannot support the majority bill that's on the floor today. I think we have offered a reasonable substitute and I'm hopeful that the House will adopt our substitute, and then as the process moves through the Senate and to the President, we can perhaps refine that product some more and get a bipartisan agreement.

So with that, Mr. Speaker, I urge adoption of the substitute.

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

Mr. MCDERMOTT. Mr. Speaker, I yield the remaining time that we have to the Speaker of the House, NANCY PELOSI.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding and for his important work on keeping America number one.

In recent years, the increasing global market has brought many opportunities but has also created unprecedented challenges as to how we address the increased economic insecurity faced by many of America's working families. For a long time, unfortunately, Mr. Speaker, trade policy has focused more on opening new markets and has dismissed the real consequences of those faced by those who lose their jobs as well as their communities across America that are hard hit.

Democrats recognize that our economic future rests with our ability to open new markets for U.S. goods, especially since our markets are already largely open to our trading partners. However, the status quo is not working, and we must do much more to help American workers compete and thrive in the increasingly competitive global market. That is the purpose of this important legislation before us, the trade adjustment assistance bill.

Mr. Speaker, being from Massachusetts, I'm sure you've read in the history books, for somebody of my age I recall, when President Kennedy called for the, called upon the American people with his challenge to put a man on the Moon and have him safely return within 10 years. It was very, very exciting. It was almost unbelievable, but it did happen. Why I mention it, though, is because in his remarks at that time, President Kennedy said, if we are to honor the vows of our Founders, we must be first, and therefore we intend to be first. For our science and industry, for peace and security, we must be first. And that's what this is about today, how America can continue to be number one.

We have worked together with that Innovation Agenda in that spirit; the Innovation Agenda, much of which has been passed overwhelmingly in a bipartisan way by the Congress and signed into law by President Bush. And it will help promote, will make serious and sustained investments in research and development, help promote the public-private partnerships that will develop

high-risk, high-reward ideas into marketable technologies and more jobs for American workers. In other words, we're saying, if we are going to compete successfully, we must innovate, and that innovation begins in the classroom.

So Democrats recognize in the global knowledge-based economy, America's greatest resource for innovation and economic growth resides within America's classrooms, and we have made a new commitment to encouraging students and encouraging highly qualified teachers in the field of math, science and engineering.

We've also made higher education more affordable and accessible. Again, in the strong bipartisan way voted by the House, we passed the College Cost Reduction and Access Act. That was signed into law by the President and has made the largest investment in college affordability since the GI Bill was passed in 1944, a bill that was referenced by our colleague, Mr. SESTAK, earlier.

We've also forged a new approach for free trade agreements where, for the first time, Democrats in Congress and Republicans, working with Mr. MCCRERY and Mr. RANGEL, the chairman, working with the administration, were able to forge a new approach. For the first time, enforceable basic labor rights and environmental standards will be included in free trade agreements negotiated by the Bush administration ensuring that our trading partners do not lure American jobs abroad through the use of weak labor laws and lax environmental standards.

Today's bill is the next step in our agenda to expand economic security. It's a departure from the status quo. The current trade adjustment assistance initiative does not do enough to help those who lose their jobs through no fault of their own.

Specifically, as has been mentioned before, the bill will dramatically expand the number of workers who will qualify for TAA benefits. This is very important. It will offer increased funding and options for workers' training so that individuals can pursue substantive training programs that lead to higher paying jobs. It will expand access to health care by strengthening and streamlining the health care tax credit and other health benefits so that workers are not forced to live without health care as they search for a new job. And it will revitalize communities decimated by manufacturing job loss with tax incentives. Those are some of the provisions of this important legislation.

This would represent a huge step forward. This would say to the American people and the American workers who have lost their jobs or are concerned about losing their jobs to trade that they are not alone.

The bill represents a renewed commitment to helping American workers who have lost their job through no fault of their own. Free and fair trade can only thrive if we help those who are facing the downside of a global economy.

In the coming months, Democrats will continue to lay out a positive agenda to ensure economic growth and economic security for America's families. We will continue to pursue a positive agenda to keep America number one. I urge our colleagues to oppose the substitute and to support the underlying legislation.

The SPEAKER pro tempore. Pursuant to House Resolution 781, the previous question is ordered on the bill, as amended, and on the further amendment by the gentleman from Louisiana (Mr. MCCRERY), as modified.

The question is on the amendment by the gentleman from Louisiana (Mr. MCCRERY), as modified.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 196, nays 226, not voting 10, as follows:

[Roll No. 1024]

YEAS—196

Aderholt
Akin
Bachmann
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boustany
Boyd (FL)
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Costa
Cramer
Crenshaw
Cuellar
Culberson
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Heller
Hensarling
Herger
Hill
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lampson
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller, Gary
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuler
Shuster
Simpson
Smith (NE)
Smith (TX)
Souder
Stearns
Sullivan
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—226

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Clyburn
Cohen
Conyers
Cooper
Costello
Courtney
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Flake
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hayes
Herseth Sandlin
Higgins
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Space
Spratt
Stark
Stupak
Sutton
Tancredo
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—10

Alexander	Jindal	Wasserman Schultz
Carson	Paul	Weller
Cleaver	Schiff	Wilson (OH)
Cubin		

□ 1505

Mr. SCOTT of Georgia, Ms. LORETTA SANCHEZ of California, Ms. WATSON, Ms. KAPTUR and Messrs. STARK, STUPAK, MORAN of Kansas and RUSH changed their vote from ''yea'' to ''nay.''

Mr. TERRY and Mr. SAXTON changed their vote from ''nay'' to ''yea.''

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. POMEROY was allowed to speak out of order.)

IN MEMORY OF THE LATE PETER HOAGLAND

Mr. POMEROY. Mr. Speaker, I have sad news for the House today. Our former colleague and dear friend, Peter Hoagland of Nebraska passed away yesterday in the hospital in Bethesda.

Peter served three terms in the House. Being an at-large Member from North Dakota, as I arrived, I looked to this distinguished gentleman from Omaha to be not just a friend but also a mentor.

During my years in this body, I have never served with anyone who enjoyed service in this Chamber more than Peter Hoagland. And yet, he would lay his tenure right on the line to stand for what he believed in and cast his votes in a way that were an example in high principle.

Peter will be deeply missed by his family; his wife, Barbara Hoagland; five children, Elizabeth, Katherine, Christopher, David and Nick; as well as the countless friends he leaves behind. Our thoughts and prayers are with them at this difficult time.

And I have, for any Member requesting, the information in terms of how to contact the family during this hour of bereavement.

I want to yield a moment to Congressman LEE TERRY, who now represents the seat previously held by Congressman Hoagland. And at the conclusion of Congressman TERRY, if we might rise in a moment of silence.

Mr. TERRY. Mr. Speaker, on behalf of all of my colleagues here and the constituents of the Second Congressional District, our prayers go out to Barbara, his wife, and their five children.

Peter passed away yesterday. He was a mere 66 years old. Many of you know that served with him that he developed Parkinson's the last few years, and it slowly had worsened. But as is typical with Pete, instead of feeling sorry, he went out and became an advocate for those with Parkinson's disease, frequently coming to our office to talk about his advocacy and also about local politics back home.

Pete first ran for the State legislature in Nebraska in 1978, where he became known as this idealistic, principled, yet liberal Member from midtown Omaha, which was surprising because he grew up in a family of pretty hard-core, conservative Republicans.

But I got to know Pete. In fact, Pete even offered me a clerkship in his law office in 1986, and we became fast and good friends.

He then ran for Congress in 1988 where, with the utmost dedication, he represented the people of the Second District of Nebraska, carrying on that principled, idealistic nature that he brought to the Nebraska State legislature.

So on behalf of people of the State of Nebraska and the Second Congressional District, I'll say that we will miss our friend, Pete Hoagland.

At this time, I'd like to yield to my friend from New York.

Mr. ENGEL. I thank my friend from Nebraska, and I too want to rise to pay tribute to my classmate in 1988, Peter Hoagland. Peter and I were best friends, socialized with our wives and our kids many, many times. He was truly a gentleman. Both our colleagues from North Dakota and from Nebraska really epitomized what Peter meant to all of us. His wife, Barbara, and the five children, a wonderful family.

And let me just say that Peter was in public life for all the right reasons. He cared so much about this country. He cared so much about public policy. He cared so much about people.

In all the time I was with Peter, I was with him a lot, I never once heard him utter a negative word about anybody. He really truly respected this institution. He loved our country, and he respected each and every Member in this House, on both sides of the aisle.

It came as quite a shock to me when I found out about his passing, although I had known that he had been ill for a while. Sixty-six is awfully young, too young, when you have such a good person with such a great, keen intellect and a wonderful person.

So I just want to say on behalf of myself, my wife Pat, my family, and our class of 1988, we were 18 Democrats and 15 Republicans that year, we're all going to miss Peter very, very much, and may he rest in peace.

Mr. HOYER. Will my friend yield?

Mr. TERRY. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding. I know that Mr. TERRY has spoken for all of us, and Mr. ENGEL, Mr. POMEROY.

For those of us who had the opportunity to serve for an extended period of time with Peter Hoagland, for those of us who knew Peter after he left the Congress of the United States, this is a sad day. It is an appropriate day, however, to remember, as Mr. ENGEL said, a gentleman who had nothing bad to say about any of our Members on either side of the aisle; a Member who was positive in his approach; a Member who was gracious to all; a Member who cared deeply about his country, about his State, and about his service in this institution.

Peter Hoagland was a good and decent man who served his country well, and will be sorely missed by us all.

Mr. POMEROY. At this time, then, Mr. Speaker I'd ask that we might have a moment of silence.

The SPEAKER pro tempore (Mr. LYNCH). A moment of silence has been requested. Will all Members rise.

(By unanimous consent, Mr. SHAYS was allowed to speak out of order.)

IN MEMORY OF THE LATE THOMAS MESKILL

Mr. SHAYS. Mr. Speaker, I rise to eventually ask for a moment of silence for a Member of this Chamber who has passed away; that's Thomas Meskill. He was in the U.S. Air Force and in Korea for 3 years. He was the former mayor of New Britain, Connecticut. He was a Member of Congress for two terms in the Sixth District. He was Governor of the State of Connecticut, and he was judge of the U.S. Court of Appeals, Second Circuit. He was, for a period of time, the chief judge. He was clearly a distinguished member of Connecticut, a very respected elected official, but was most respected for his service as a judge in the Court of Appeals for 30 years.

Before asking for a moment of silence, I would like to yield to Mr. LARSON, who wanted to make sure that this House recognized this distinguished gentleman.

Mr. LARSON of Connecticut. Mr. Speaker, I thank Representative SHAYS for yielding.

This is a very difficult time for the Meskill family, whose husband, father, grandfather served as Governor of the State of Connecticut, was a judge in the Second Circuit, chief judge from 1991 through 1992. He served in this body with distinction. He was the former mayor of New Britain, Connecticut.

□ 1515

I had the opportunity to work with Governor Meskill, Congressman Meskill, and our hearts and thoughts and prayers go out to Mary, his lovely wife; and his entire family.

With that, I would like to yield to the current Congressman from that district, CHRIS MURPHY.

Mr. MURPHY of Connecticut. I thank the gentleman for yielding and I thank Mr. SHAYS for bringing this before the House.

As the Member of Congress who now has the honor of serving New Britain, Connecticut, I can tell you, as someone who didn't know Governor Meskill and Congressman Meskill personally, that he loved the City of New Britain and the City of New Britain loved him back. He earned the nickname of ''Tough Tommy'' during his time in the Governor's mansion when he turned a very large deficit into a very large surplus in a short amount of time. As you have heard, there was hardly an office in Connecticut in any of the branches that Governor Meskill did not hold.

New Britain is better off for having him. It bears his stamp. We all stand today to mourn his loss and send our condolences to the family.

Mr. SHAYS. Mr. Speaker, as we rise in silence, if we could remember his wife, Mary; his two daughters, Maureen and Eileen; his three sons, John, Peter, and Thomas; and his seven grandchildren.

The SPEAKER pro tempore (Mr. LYNCH). Members will rise and the House will observe a moment of silence.

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

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

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. MCDERMOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 264, nays 157, not voting 11, as follows:

[Roll No. 1025]

YEAS—264

Abercrombie
Ackerman
Aderholt
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Butterfield
Camp (MI)
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dent
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Engel
English (PA)
Eshoo
Etheridge
Farr
Fattah
Ferguson
Filner
Fossella
Frank (MA)
Gerlach
Giffords
Gillibrand
Gonzalez
Goode
Gordon
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Hayes
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hunter
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
King (NY)
Klein (FL)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Petri
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Reynolds
Richardson
Rodriguez
Rogers (MI)
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Snyder
Solis
Souder
Space
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walsh (NY)
Walz (MN)
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NAYS—157

Akin
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Campbell (CA)
Cannon
Cantor
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Emerson
Everett
Fallin
Feeney
Flake
Forbes
Fortenberry
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gilchrest
Gingrey
Gohmert
Goodlatte
Granger
Hall (TX)
Hastert
Hastings (WA)
Heller
Herger
Hobson
Hulshof
Inglis (SC)
Issa
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
Kingston
Kirk
Kline (MN)
Lamborn
Lampson
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas
Lungren, Daniel E.
Mack
Marchant
McCarthy (CA)
McCaul (TX)
McCrery
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller, Gary
Mitchell
Moran (KS)
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Rogers (AL)
Rogers (KY)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Sali
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Smith (NE)
Smith (TX)
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Walden (OR)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Alexander
Carson
Cubin
Hensarling
Jindal
Paul
Ryan (WI)
Schiff
Wasserman Schultz
Weller
Wilson (OH)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 1534

Mr. ROGERS of Alabama changed his vote from ''yea'' to ''nay.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOTION TO GO TO CONFERENCE ON H.R. 3043, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2008

Mr. OBEY. Madam Speaker, pursuant to clause 1 of rule XXII and by direction of the Committee on Appropriations, I move to take from the Speaker's table the bill (H.R. 3043) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes, with the Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mrs. TAUSCHER). The gentleman from Wisconsin is recognized for 1 hour.

Mr. OBEY. Madam Speaker, I yield 30 minutes to the gentleman from California (Mr. LEWIS) for the purpose of debate only. And I yield myself 30 seconds.

Madam Speaker, the motion is self-explanatory. This will enable us to go to conference with the other body on the Labor, Health and Human Services and Education bill and begin the process by which we can deal with the conference reports on the seven bills so far completed action by the Senate.

Madam Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today to discuss what appears to be one of the most highly unusual decisions made by the leadership of the House by way of combining the Labor, Health and Human Services bill with Military Construction, VA, and all those programs that relate to veterans, and the DOD bills into one package to be sent to the President.

It is my understanding that included in this package may be disaster funding relief that could affect wildfires in the West. There may be other popular items that the majority may attempt to air-drop into conference. In theory, the bill itself is supposed to focus upon health care for our citizens across the country, labor programs and education programs, not defense, not veterans programming or other related programs. This package would exclude any DOD bridged supplemental funding for our troops.

Last year, a bipartisan group of Members demanded that the administration send a full-year supplemental

request for activities related to the global war on terror. Now that the administration has provided the full-year request, the House and Senate leadership have refused to provide this critical funding for our troops who are serving in harm's way.

Additionally, instead of moving the Labor-HHS bill, the DOD bill and the MilCon-VA bills through the process by regular order and holding separate conferences, this omnibus package would be carried as part of the Labor-HHS bill.

Frankly, as I talk to my colleagues who know the appropriations process around this place pretty well, they can't quite believe why we're doing this. For each of these bills passed the House separately and individually, they've got programs that are highly supported. There is little doubt that regular order would work if the leadership would allow it to work.

Let me be clear on this. The President has already indicated that he will sign a freestanding MilCon bill, and he will sign a freestanding Defense bill. Especially it's important to note that the MilCon bill includes funding for veterans as well, with a commitment for his signature. By not moving these bills individually, the majority is using our veterans as well as our troops essentially as political pawns.

Yesterday, I had a conversation with the President's Chief of Staff, Josh Bolten. He clearly indicated that if this package makes its way to the White House, it will be vetoed by the President in this form. Apparently the President delivered a similar message to our Members and the press at the White House yesterday morning.

Personally, I think it's outrageous that the majority is proceeding in this way with funding for our troops and our veterans simply to try to push through a 10-plus billion dollar increase in the Labor and Health and Human Services programs. To me, this is nothing more than essentially, at least some would describe it as political blackmail, as well as a poke in the eye to our troops, our veterans, our Members, as well as our President.

To the Democrat majority who conceived this misbegotten, ill-conceived legislative strategy, let me say this: You are not only making a mockery of the legislative process, you are intentionally undermining a strong bipartisan desire to fund our troops, provide medical care for those troops, as well as provide funding for our veterans. This approach is kind of like the SCHIP package on steroids. And I believe that it, too, will fail.

I do not intend to sign the conference report or vote for it when it reaches the floor. I will also be supporting the President's veto, should he decide to veto this package. Clearly, this is in excess, and it's a fundamental violation of what I think should be the tradition of the appropriations process.

Madam Speaker, I reserve the balance of my time.

Mr. OBEY. Madam Speaker, I yield myself 8 minutes.

Madam Speaker, the gentleman is a good friend of mine. And I don't mind his pulling my leg, but from way over there, it's a little bit of a stretch.

Let me simply recite a few facts. If we take a look at the past history to see how these bills have been handled in the past, the gentleman talks about having a separate military construction bill. The fact is, over the last 5 years, when our Republican friends controlled this House, on three occasions they tied the military construction bill to other bills. And on one occasion, they never managed to pass a military construction bill at all. Only once in the past 5 years did they pass a freestanding military construction bill. So, I will stack our record against theirs any time.

There is another substantial difference between us on that score. In the 2007 budget and in the bill before the Congress now, we've added $7 billion in additional funding for veterans health care, money which the administration itself opposed. So, I make no apology for what we have done on that score.

Let me also point out the gentleman is objecting to the possibility that we will combine the labor, health, education bill, the defense bill and the military construction bill into one piece. If we do that, that would mean that 90 percent of the dollars in the bill would be security related. The President has asked us to send him a defense bill and to send him a military construction bill. That is exactly what we would be doing. In addition to that, we would be sending the largest domestic bill, so that together we would be sending, in essence, 71 percent of the appropriation part of the budget down to the White House. I make no apology for that.

I would also point out that, while the gentleman has a newfound objection to omnibus appropriation bills, during the 12 years in which the Republicans controlled this body, 56 times they sent omnibus appropriation bills to the President for his signature.

□ 1545

During the Bush administration, they sent omnibus appropriation bills to the President 27 times. The President had no objection whatsoever when they came from a Republican Congress. I find it interesting that he now professes objection because we are doing what his Republican Party did in spades for so long.

In fact, last year, the other side, when they controlled this House, they avoided sending an omnibus appropriation bill to the President because on the domestic side of the ledger, they didn't bother to send him any at all. So we had to spend the first 6 weeks when we were in control of this body cleaning up last year's Republican business.

I would also point out, lest we take lectures from the administration and OMB, Mr. Nussle, who is the President's new budget director, he was chairman of the Budget Committee for 6 years. Since 1976 when the Budget Act was passed, Congress failed to pass a budget resolution four times. Three of those four times occurred when Mr. Nussle was chairman of the committee. So I don't think I am going to take any lectures about the newfound interest of the new budget director in having timely consideration of any matter related to the budget.

I would also point out that during Mr. Nussle's tenure of 6 years, the Republican Congress passed three omnibus appropriations and one omnibus CR. So it seems to me that this is a debate about, if not nothing, at least very little. I would simply say that what we ought to be looking at is not what kind of a ribbon we have on the package, but we ought to be taking a look at the contents of the package. And I make no apology whatsoever about the contents of this package.

Now, if we take a look at the President's statement, his veto pronouncement yesterday, he says that the Congress has wasted time voting on efforts to change direction in Iraq. I would suggest that the President has wasted 5 years of the country's influence by the way he has handled Iraq in the first place. The President objects to the fact that in all of the domestic appropriation bills, we are some $20 billion above his budget suggestion, about 2 percent. That 2 percent difference is the difference between having a President and having a King. And I would point out, he wants to spend 10 times that much money in Iraq in just 1 year.

The President says that Congress has gone it alone on SCHIP. I would suggest the President has gone it alone in Iraq. He has gone it alone without our allies. He is going it alone now without the support of the American people. So I would be careful, if I were the President, referring to someone ''going alone'' on anything.

I would also point out that the President says the Labor-H bill is bloated. Well, as a practical matter, if we were to pass the President's budget, we would be cutting vocational education by 50 percent. We would be accepting the idea that we ought to cut the National Institutes of Health grants by 1,100 grants over the past 2 years. We would be accepting the fact that we ought to allow No Child Left Behind to become a hollow shell in terms of financing. The President is, in fact, objecting to our increase for special education, an item which the Republican Party in this House took the lead on in putting in the bill in the first place.

So it seems to me the President, his priorities are not supported by the country. So he is falling back on a process argument. I don't think anybody is going to be especially impressed.

With that, I reserve the balance of my time.

Mr. LEWIS of California. Madam Speaker, I just might mention that

during the time that the chairman and I have worked together in the Appropriations Committee, we have talked many a time about process where we both happen to think it is very important. But the fact is that all three of these bills, the Defense bill, the MILCON and veterans bill, indeed, Labor-HHS, all passed this House separately. We could carry these bills in regular order. It is frankly a sham to suggest that it is a requirement to bring these packages together.

Mr. OBEY. Would the gentleman yield if I yield him a minute of my time? I ask unanimous consent to give the gentleman a minute of my time.

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

There was no objection.

Mr. LEWIS of California. I yield to the gentleman from Wisconsin.

Mr. OBEY. I would simply ask the gentleman, with the exception of last year when you were chairman, or last term when you were chairman, where were your speeches when your party brought those 56 omnibus appropriation bills to the floor? Where were your objections then?

Mr. LEWIS of California. Mr. OBEY, I know that you speak on the floor a lot more than I do, and I appreciate the talent with which you do it. But in the meantime, we are talking about regular order, trying to change the appropriations process so it makes sense, not destroy our committee. I would suggest we are on a pathway to destroy this committee.

Mr. OBEY. Are you saying that it didn't make sense when your party did what we are doing today 56 times? Is that what you are saying?

Mr. LEWIS of California. What I am suggesting, Mr. OBEY, is that there are, in this place even, there are people who sometimes use data and statistics for their purposes versus other purposes. This is our committee and I would hope we would run it in regular order.

Mr. OBEY. I find the gentleman's conversion interesting.

Mr. LEWIS of California. Madam Speaker, I yield 4 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. I thank the gentleman for yielding, and I certainly don't intend to lecture my good friend from Wisconsin on this process. He works hard. Between him and Mr. LEWIS, they probably have forgotten more and have also understood more about this process maybe than any other two Members that have ever served. But the fact is when Congressman LEWIS was the chairman, we actually took veterans out of the appropriations bill they had been in for years because we thought they had been used in a way that was not appropriate.

We took veterans out of VA-HUD and made it part of Veterans and Military Quality of Life for the specific reason that we didn't want to see that process that had gone on for too long continue. In 2005, the first year we did that, Chairman LEWIS and his committee brought that bill and every other bill to the floor one bill at a time. In fact, this is the first time since 1987, 20 years ago, that we have been in this part of October without a single appropriations bill having passed the House floor.

Clearly, if we were voting to go to conference on Labor, Health and Human Services, the motion before us, I would have some enthusiasm for getting at least one conference started. I would also be arguing that the conference we should be going on would be the ones for the bills that have been over here the longest, and one of those two bills following Homeland was, I think we call it now Military Construction and Veterans. But it is still a military quality of life bill. It still affects military families. It still affects retirees. It still affects veterans. And it is a bill that not only the President has said he would sign but this House passed 138 days ago. The Senate passed it almost 2 months ago and named their conferees 2 months ago.

This is a bill that does have increases for veterans. Every bill in the 10 years I have been here has had significant increases for veterans, none more so than this, to the point that the increases for veterans and military families and military construction in this bill, about $18.5 million a day, so if today we just multiplied that by 31, that is how much money hasn't been spent in the last month on military families, on military retirees, on military veterans, on people serving that would have been affected by military construction. It's high time we went to conference on that bill.

But what we don't want to start here is a process where we take our veterans and our military families and our retirees and we use them as a vehicle to have another political debate. As I understand, all I know is what I hear on the floor and read in the paper on this, that the plan is to take three bills, two of which almost every Member of this Congress voted for, add to them a bill that was as divisive in floor debate as any bill we debated, and have this three-car pile-on or this three-car pile-up, this three-bill pileup that I think sets an unfortunate precedent for how we use veterans and military families.

I wish we were going to conference on a number of bills today, and I wish we were committed to do these bills in the way that both the chairman and the ranking member have argued effectively over years now that we should be doing these bills.

Mr. OBEY. I yield myself 1 minute.

The gentleman says that he finds this a precedent. I repeat, we are doing with Military Construction what the Republicans did in 4 of the last 5 years, considering Military Construction in association with other bills. I do welcome, however, the newfound expression of support for veterans by the now minority party. Over the last 2 years, we had to drag them kicking and screaming into voting for higher funding for budgets for veterans' health care than their own President wanted. In fact, when their committee chairman agreed with us 2 years ago that we needed to add a billion dollars to veterans' health care, they responded by removing that committee chairman from the committee because he wasn't following the party line.

I don't think veterans will have much trouble determining who has been on their side the last 5 years and who hasn't.

With that, I yield 3 minutes to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. I thank the distinguished chairman of the Appropriations Committee.

Madam Speaker, this bill does, in fact, combine various other appropriations measures. But those measures in their totality clearly reflect the top priorities of the American people. In fact, every one of those bills separately passed with significant Republican support by significant bipartisan majorities in this House.

The reason that this bill in its totality makes sense and should, with all due respect, attract the support of my friends from the other side of the aisle is because it does, in fact, fund the global war on terror. It funds our defense. It funds military construction. But it also funds America's other priorities. It funds our troops but it also takes care of our veterans, the largest increase in veterans health care in the 77-year history of the VA. It funds our defense with a robust military. But it also funds the war on cancer with increased investments in the NCI and the NIH.

□ 1600

It funds our military so that we can achieve global stability, but it also gives working families and middle-class taxpayers a little bit of a break, actually, more than a little bit of a break, a significant break on their college expenses so that our kids can compete in a globally competitive environment.

I would conclude, Madam Speaker, by suggesting that the differences between where the administration is and where we are should not be minimized. They are significant. As the chairman said, this administration is arguing over a $22 billion increased investment with one hand, and, on the other hand, telling the American people they have to come up with another $200 billion for Iraq. We are spending $12 billion a month in Iraq. The difference between where the administration is and where we are on these other priorities is 2 months in Iraq.

We want $880 million in increased investment for LIHEAP so that senior citizens don't have to shiver in the cold because their heating costs are too high. That is 2½ days in Iraq, that $880 million. If we want to invest $1 billion in medical research for people with

cancer, with Alzheimer's, with Parkinson's, that's 3 days in Iraq.

Our $1 billion investment covers an entire year. The administration's strategy covers 3 days in Iraq. We want $1.4 billion for the entire year for improved health care access. With this administration, the equivalent cost is 4 days in Iraq. We want $1.8 billion in increased investments to keep American streets safe with additional law enforcement and additional police. The administration says we can't afford to keep America's streets safe but is willing to spend an equivalent amount over 5 days in Iraq.

Madam Speaker, this bill reflects the priorities of the American people. Separately, the components passed with overwhelming Republican support. This should be a bipartisan effort. It should be a bipartisan effort because, number one, it supports our troops, provides for robust defense, and takes care of our priorities here at home as well.

Mr. LEWIS of California. Madam Speaker, I yield 1 minute to the Republican leader of the House, the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Madam Speaker, let me thank my colleague from California for yielding.

Let me say that my colleague from California, the former chairman of the committee, and the current chairman of the committee, Mr. OBEY from Wisconsin, are two Members who spent their entire careers working through this appropriation process. They deserve the thanks and respect of all the Members.

The motion here to go to conference is not about the Labor, Health and Human Services bill. That is not the issue. The issue isn't whether we have omnibus bills. We have had omnibus bills long before I got here and they will be going on long after I have been here. The issue here is the fact that the plan is to move this bill to the Senate to get a conference report, to package the Labor, Health and Human Services bill with the Defense appropriation bill and the Military Quality of Life bill.

Why is this happening? Because our friends in the majority want to continue to play political games here in Washington, DC. We went through political games last week with the SCHIP vote, a bill that there was some attempt to work with us, but not really. No changes were made. We are going through the same process of having this bill vetoed again. Why? Because the majority refused to reach out and work with us in a bipartisan manner to resolve the few differences, the few differences we had in the SCHIP bill. But here we go again. Here we go again.

Madam Speaker, the majority knows and the President has made clear that he will veto this bill. To pass a bloated Labor, Health and Human Services bill on the backs of our troops and our veterans is not the right thing to do. It's a political trick. You're daring the President to veto this bill. Well, guess what? You know and I know that the President is going to veto this bill. Yet, here we go, playing political games once again.

As I said last week, I said last month, and probably the month before that, the American people are tired of all the political games. They want us to find some way to resolve our differences and to deal with the issues that they care about. There are a lot of important issues in the Labor, Health and Human Services bill that are very important to our country. There's a lot of important issues in the Defense appropriation bill. They help fund our troops and give them the tools that they need. Certainly, when it comes to the Military Construction Quality of Life bill, taking care of our veterans is very important. But you know and I know that this is not more than a political trick.

Let me tell you what; it makes me sick, makes me sick to watch this process continue, playing political games, and nothing gets done. Congress is at the lowest approval rating in history, and what is going on? We are continuing to play political games. That is why the American people are sick of this process, and it ought to stop.

Mr. OBEY. Madam Speaker, I yield myself 4 minutes.

Madam Speaker, there was an old comedian who used to say: When somebody says it's not about the money, it's about the money. When the gentleman says it isn't about the Labor, Health and Education bill, it's about the Labor, Health and Education bill.

The gentleman objects to the fact that we are doing what has been done in this institution for many years. We are taking the bills that are finished in both Houses at this time and we are trying to get them to the President in the fastest possible way. And the way to do that is to send them down together.

Now, the President wants to cherry-pick. He wants to pick and choose. He said you have got to send me 11 separate bills. He didn't send us 11 separate bills. The President sends us one omnibus budget. He put all the departments together in one document and sent them down to us. We are sending him back whatever proposals we can put together in the fastest possible time.

Madam Speaker, he says that the Labor-Health bill is bloated. Well, let me compare it to the President's budget. The President says that he is the ''great decider'' and that he is going to decide how much money is going to be in this bill and we have got to live within that limit or else he's going to veto anything else we send him. If we live under the President's budget, we would cut vocational education by 50 percent. Anybody think that is a good idea? If we live under the President's budget, we would eliminate all student aid but Work-Study and Pell Grants. Anybody here really believe that is a good idea?

In all my years in Congress, I never heard anybody say: OBEY, why don't you guys get together and cut cancer research. Yet, that is what this previous Republican Congress and the President have done the last 2 years; they have cut 1,100 grants out of the National Institutes of Health, medical research grants. If you want to live under the President's budget on law enforcement, we would cut what the committee has in its bill by one-third. The President wants us to cut handicapped kids' education by $300 million. Mr. WALSH, the ranking Republican member of the Labor-Health Subcommittee, led the objection to that, and in fact persuaded the committee to put a higher number in the bill than I had put in in the chairman's mark; yet the President says we ought to follow his budget for Labor-Health. If we do, we will cut rural health by 54 percent.

He also wants us down the line to cut the Clean Water Revolving Fund by 37 percent. He wants us to cut disabled housing assistance by 47 percent. He has ordered his Secretary of Veterans Affairs to send us a letter indicating that they don't want the $4 billion that we have added to veterans health care.

So you don't think this is about priorities? You bet you, it's about priorities. I submit to you, the teachers of this country, the school kids of this country, the parents of this country, and the veterans aren't going to be fooled. Veterans aren't going to be very thrilled if you take care of their needs so long as they are in Iraq, but the minute they get home you forget the help their kid's need to get an education, you forget the help their wife's needs or husband's needs if they run into medical problems.

Veterans are whole people, just like everybody else. This Congress has an obligation to meet all of their needs, not just their needs so long as they are wearing the uniform and then forget them once they take it off. That is not the American way. It shouldn't be the Congress's way. That is why we are proceeding as we are proceeding.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds all Members to address their remarks to the Chair.

Mr. LEWIS of California. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am going to be calling upon my colleague, who is the ranking member of the MilCon-VA bill in just a second. But I wanted to mention it is very interesting to see my colleague, the chairman, to use statistics and data for his own purposes.

We have, over the last 12 years, had nine omnibus appropriations bills, and where those bills were put together in packages, I objected to that procedure all along the line. But, as a matter of fact, as a matter of fact, negotiations had taken place on the part of both sides of the aisle, and the President signed those bills. He didn't suggest he would be vetoing those bills.

Data can be used for one's purpose, but we ought to be accurate and recognize that facts are facts.

Madam Speaker, it is my pleasure to yield 4 minutes to the gentleman from Mississippi (Mr. WICKER), the ranking member of the MilCon-VA bill.

Mr. WICKER. Madam Speaker, this really is an unprecedented move. We were originally told that it would be scheduled for first thing this morning. Then it was rescheduled for early this afternoon. And once again, the matter was so controversial that it had to be pulled again and we find ourselves discussing it now at this moment.

I frankly wish my friend from Wisconsin would pull the motion again, because there is only one way to understand this process. This is, as the Republican leader said, a political stunt. If it is allowed to proceed, the result will be predictable. The President will veto the product of this conference committee, because it will attempt to spend billions and billions of new dollars on domestic programs we cannot afford, just when a balanced budget is within sight again. The President will veto the bill, the President's veto will be sustained, and we will be back to the drawing board.

While all of this is unfolding, much-needed funds for our veterans clinics and for our servicemembers and their families will be delayed, not to mention essential funding for our Nation's defense in the global war on terror, for our troops in combat in Afghanistan and Iraq who are risking their lives for our country even as we speak. These key national security expenditures will have to wait even longer than they have already waited.

The other result of this process will be just as predictable. Some people in this town, in this very House, will have gotten what they wanted: more political theater, more attempts to link good policy with excessive spending in an attempt to score political points.

Madam Speaker, does the Democratic leadership of this Congress want to pass appropriation bills or do they just want to make new campaign commercials?

Four and one-half months ago the House of Representatives passed the Military Construction-VA bill with an overwhelming 409 votes. The Senate passed its version of MilCon-VA with only one dissenting vote on September 6, 8 weeks ago. The President has expressed his willingness to sign the bill. Mr. EDWARDS and I, along with our subcommittee, have stood ready to go to conference for almost 2 months. Why, other than politics, have these funds for military quality of life and for our Nation's veterans been delayed?

Mr. EDWARDS and I, as chairman and ranking member, have worked along with our Senate counterparts and our staffs to craft a compromise between the two versions of MilCon-VA. Only a few outstanding issues remain. We are ready to go with this essential bill. The same is true for the Defense appropriations bill.

That means we could have bills on the President's desk within a matter of days. Funds for vital infrastructure for our troops, child development centers and veterans programs could be in the pipeline within a matter of days. Do we really want to hold our present and former troops hostage for political games?

So I urge my friends on the other side the aisle to reconsider this unprecedented maneuver. Send the bills by regular order according to the established rules. Let's get the funds to our troops without further delay.

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

Mr. LEWIS of California. Madam Speaker, it is my pleasure to yield 3 minutes to the ranking member of the Armed Services Committee, the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Madam Speaker, I want to thank my friend for yielding.

Madam Speaker, I think this is a sad day for our country, because we put into place several years ago what we called a bridge fund. I call it the ammo, the armor, the equipment fund. That was a fund that we added to the Defense bill to carry our troops over during the winter months before that spring supplemental, before that extra funding came about in the springtime of the next year.

That is important for them, and that gave them a certain confidence level that they were going to be funded without having to take money out of the cash register for the next year, have to delay training exercises, have to delay the equipping of forces back here in the United States.

And you know something? We had a bill that was ready to go here. The Defense appropriations bill is something that clearly would sail through, the President would sign it, and there was no risk in this bill that would fund our operations and our warfighting in Iraq and Afghanistan.

The Democrat leadership now has injected risk, because you have hooked it up with a bill that the President said he is going to veto. That injects risk into this very, very difficult operation.

So what do we have with our soldiers, our sailors, our airmen, our marines in Afghanistan and Iraq? We have got the uncertainties of war, the dangers of war. We have got the uncertainties that attend their families back here in the United States. And now the Democrat leadership has injected another uncertainty, an uncertainty that they will be funded fully in these difficult months.

□ 1615

So you took away this bridge fund, what I call the ammo, the armor, the equipment fund, and the answer you have given us is, well, if the President caves, then the troops will get the money. Holding our troops, our forces, hostage during a time of war is something that this body has never done.

I would hope that the Democrat leadership would make an about-face on this. I would hope you would adopt the great position of Democrat Senator Henry ''Scoop'' Jackson, who said, ''In time of war, the best politics is no politics.''

Mr. OBEY. Madam Speaker, I yield myself 1 minute.

I yield myself the time simply to respond to something said by the gentleman from Mississippi (Mr. WICKER). Mr. WICKER implied that the delay that took place in bringing this to the floor today was because of supposedly some turmoil about how this bill was packaged.

In fact, as the gentleman from New York (Mr. WALSH) will tell you, the reason for the delay is because I spent all day defending two Republican amendments to this bill that the Senate wanted to reject. And until I got agreement to quit horsing around with those amendments, I refused to bring this bill to the floor.

And now I yield 3 minutes to the distinguished gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. It really is disingenuous when I listen to my colleague from California talk about ammo, armor and equipment from the folks who brought our young men and women into a battle without appropriate ammo, without armor, and without the appropriate equipment that they needed to be able to fight this war from the outset. In fact, it has been the Democratic majority over and over and over again who have increased that funding for our troops in the field.

Let me also say to our distinguished minority leader, and you should not be fooled by the commentary, this issue is about the Labor, Health, Education and Human Services bill. And the folks who are playing games are the minority and the Republicans on that side of the aisle.

This is bill where we know that we will increase funding for veterans health care, offer pay raises for active duty soldiers, provide additional support for military families. Let me just tell you what this President wants to veto: the investment in lifesaving medical research, the investment in increased education funding, and he would like to veto our being able to strengthen job training in this Nation.

Two or three examples, my friends. The President's budget cuts funding for medical research at the National Institutes of Health. He would cut that by $480 million. That is 800 fewer research grants than last year to study deadly diseases like cancer, Alzheimer's, leukemia, Parkinson's, heart disease. We rejected that on our side of the aisle. We invest $1 billion above the President's request or roughly the cost of three days in Iraq. That's what the President wants to veto.

Let's take a look at the Centers for Disease Control. When the chairwoman testified before the committee, she said we face as a nation the issue of the daily health challenges: 4 million seniors living with Alzheimer's, 583 women diagnosed with breast cancer every single day, and 176,000 teens who will

struggle their entire lives with diabetes. And so if we fail to pass the Labor-HHS appropriation conference report, we cut that CDC budget by $475 million. The President wants to veto that $475 million for those efforts.

Let's take a look at what he said last month, that is the President: ''Don't go backwards when it comes to educational excellence. We have come too far to turn back.'' Yet he will recall millions in Perkins loans funds and cut the special education program by $291 million. Going backwards is exactly what he is proposing to do.

We invest $5.9 billion in education, the cost of just 18 days in Iraq. What will we do with it? We will benefit 8.5 million students to prepare our Nation for the 21st century economy.

Let's talk about the President last week. An additional $42 billion from Congress for the wars in Iraq and Afghanistan that will in the next decade cost $2.4 trillion, or $8,000 per man, woman and child. Let's fight for people, not dollars, and the people of this Nation understand that.

Mr. LEWIS of California. Madam Speaker, it is my pleasure to yield 2 minutes to the ranking member of the Veterans Committee, STEVE BUYER.

Mr. BUYER. I have come to the floor because what is clear is there are no disagreements with regard to the VA-Milcon appropriations bill. There is no disagreement between the House, the Senate or the White House, which means that weeks ago we should have appointed conferees and we should have voted on this bill if in fact our priority, in a bipartisan way, is clearly that of the troops.

So I come to the well really bothered here today. The word ''gamesmanship'' has been used. The word ''partisanship'' has been used. When it comes to funding our troops, those words should never be used. A few years ago, almost 2½ years ago, I met with Republican leadership and I wanted to get politics out of the military health delivery system and the VA. That is when I said get HUD out of VA and let's combine this. So what we have done by doing VA and MilCon, we do this so the authorizers and the appropriators can work together on the seamless transition issues so we get politics out of the arena.

And now to take this bill to which there are no disagreements and to attach it to a vehicle where there are disagreements, the gentleman from California (Mr. HUNTER) is absolutely correct, it places the bill at risk.

The last speaker talked about HHS. I am here to talk about funding veterans and our troops and the dependents and their families. We shouldn't be playing these games with the White House if our priorities are truly with America's most precious assets, and that is the men and women who wear the uniform, and to care for those who keep the watch fires burning and their children. So let's don't play these games.

I have to agree with JOHN BOEHNER. There is a reason the American people look at Congress with a 14 percent approval rating. It is because of these types of games.

We are better than this. We are better than this. So let's come together like we passed this bill 138 days ago and keep our bipartisanship and send this bill to the President.

Mr. OBEY. May I inquire how much time is remaining on both sides.

The SPEAKER pro tempore. The gentleman from Wisconsin has 9 minutes remaining. The gentleman from California has 11½ minutes.

Mr. OBEY. Madam Speaker, I yield 3½ minutes to the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. I thank the gentleman and appreciate the opportunity to make a few remarks here.

Madam Speaker, a lot has been said here. The minority leader came down and said this makes him sick. Another speaker came down and said we are somehow holding the troops hostage. Another Member comes down and says this is a sad day. You know, I think all that rhetoric may be nice, but what we are trying to do here is run the government. As has been stated several times, when the Republicans were in charge, they put bills together and got them passed. And now all of a sudden to take a stand here like this has never happened is, I think, a tad bit disingenuous.

But we have to ask ourselves now that everyone is bringing the troops in here: What are the troops fighting for? They are not fighting for a Defense bill. They are not fighting for a VA bill. They are fighting for our country. And what is our country? Our country is a country that makes investments in its own people. They are fighting for America because it's a great place to live. It's a great place to get educated. It's a great place to get health care. And for us to say somehow they are just fighting for only a portion of our society, I think is a bit disingenuous, too. I bet if we talked to some of the troops and we asked them what it means to be an American, they would say it means to be free and to be able to achieve the American Dream. And you achieve the American Dream by being healthy, by being educated, by having access to this great country. That is what we are trying to do here.

We have a great bill. This Labor-HHS bill is great. It is called the people's bill. Just like the VA bill is the people's bill. This all goes together. This is one cohesive investment that we need to make in our country; and we are asking the Republicans, Madam Speaker, to join us.

You can't hide behind the President. Article I, section 1 creates this body. We are the ones who fund the government. If the President wants to veto this, help us override the veto.

These are all good bills. And when those veterans get home, as Mr. OBEY stated, they need the same exact kind of attention and their families need the same exact kind of attention that every other citizen gets. They want high quality, low-cost education. They want high quality, low cost health care, and they want an opportunity for their kids to live the American Dream. Is that too much to ask? That's the question: Is that too much to ask?

Mr. LEWIS of California. Madam Speaker, it is my pleasure to yield 3 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), a member of the committee.

Ms. GINNY BROWN-WAITE of Florida. Madam Speaker, I rise today to speak on behalf of our Nation's veterans, more than 100,000 of whom live in my congressional district.

Madam Speaker, 138 days ago, 4½ months ago, this House passed the Veterans-MilCon appropriations bill; and 55 days ago, the Senate passed their version. Since that time the party in control, the Democrats, have sat on their hands refusing to appoint conferees and take action to fund our Nation's heroes. Leader BOEHNER has actually appointed conferees to the conference, and virtually every Republican Member has implored the Speaker to move forward. Our troops are too important to play political games.

Just this past week, I heard from a woman in my district whose son is being treated in the spinal cord injury unit down in Tampa. Let me share with you that she is not a Republican. She is a dyed-in-the-wool Democrat. Her comment to me was that she was ashamed that the increased appropriation that was in the very good bill that we passed here, she was ashamed that those funds have not yet been freed up.

October 1 was the beginning of the Federal year. We have veterans in need of services. We have veterans in need of increased staffing at the various hospitals. Combining these bills clearly is an effort to have people vote on something that will come back and be certainly not what the American public wanted.

You know, when your side won in November, Madam Speaker, I think Americans thought, oh, good, things will be done differently. They are not only not being done differently, they are being done worse than before. That is not what the American public wants.

The American public wants to have our military funded. They want to have our veterans, whether it is from World War II, Korea, Vietnam, or those currently coming back from OIF and OEF, deserving to have good-quality care at the veterans hospitals. And to have that as a separate bill, not be held hostage.

Mr. OBEY. Does the gentleman have any remaining speakers?

Mr. LEWIS of California. Not on this portion, no.

Mr. OBEY. Then could I ask the gentleman to give his summary remarks. I have only one remaining speaker.

Mr. LEWIS of California. Madam Speaker, I would speak just for a moment by way of saying that I think in many ways we have demonstrated if we

are not careful with our rhetoric, we can undermine the opportunity we have for bipartisan consideration of very important work in the House.

One of the most positive experiences I have had as a member of the Appropriations Committee has been to sit in that subcommittee that deals with Labor-HHS. I have been very, very impressed with the amount of nonpartisan, bipartisan support for fundamental research, for example. Earlier it was suggested that there is not that base of support. It is when we get this partisan confrontation on the floor that polarizes us that we tend to become confused about the real work that is positively done within our subcommittees.

□ 1630

Madam Speaker, I must say I would hope that we can do all that we possibly can to try to bring both sides together relative to those research items that I feel have such high priority.

Beyond that, I'm going to be later raising a question by way of a motion to instruct conferees that would suggest that the Labor-HHS bill ought to be dealt with by itself. Where the members of that subcommittee worked so hard and have such expertise in this arena to set their work out and complicate it with VA-HUD over issues that relate to veterans is absolutely undermining the appropriations process.

So, with that, I yield back the balance of my time.

Mr. OBEY. Madam Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman has 6 minutes remaining.

Mr. OBEY. Madam Speaker, I yield myself the remaining time.

Let me state once more that I find somewhat disingenuous concerns expressed about the so-called delay that this process will provide for veterans health care. I would like to know where that same concern was when last year the now-minority party never even passed a Military Construction bill. Last year, they completed their session, they walked out of town, shut the doors and said good-bye, and they never passed any bill whatsoever to provide veterans health care.

So we took over in January, and the very first action we took was to clean up that mess and add over $3 billion to veterans health care. That was our top priority. And then we followed it up in the regular appropriation bill by adding again more than $3 billion. So I will take a backseat to no one in terms of our expression of concern for veterans.

But let me say, we're not just going to take care of veterans as long as they wear the uniform. We're also going to try to take care of their kids' needs for a decent college education. We're going to try to take care of their families' needs in terms of medical research. We're going to try to take care of their housing needs. We're going to try to take care to see that there's decent law enforcement so they can live in communities where kids can actually grow up into adulthood. As the gentleman from Ohio said, we're going to treat veterans as a whole person. That's the purpose of trying to pass all of these bills.

Let me simply say I think these bills have been bipartisan. The Labor-Health-Education bill, one of the speakers indicated that it was the most contentious bill on the floor. We got 53 Republican votes for that bill. I hardly think that we would have done that if it had been a partisan product. In fact, if you average all of the appropriation bills that we passed in this House, we got 65 Republican votes on average for every appropriation bill that passed. That means that we passed these bills on average by exactly two-thirds, which is exactly what it takes to override a Presidential veto.

Now we're simply trying to get these bills to the President as fast as we can and in a way which does not enable him to have an easy time of cherry-picking. That's what we're trying to do.

I sat down with the President's budget director, Mr. Nussle, and I said, Look, why don't we right now, even while the Senate is working, sit down and try to work out a bipartisan compromise for all these bills? He said, Dave, I'm new at the job, but he said, so far I don't find anybody in the White House that has the slightest bit of interest in compromise. I said, Well, that's too bad. I hope that changes. Please call me if it does. But meanwhile, if the President wants to veto something, why don't we at least sit down and try to figure out which bills he wants to veto so maybe we can agree on which ones to send him first. I got no takers on that either.

So we're proceeding the way we're proceeding because we're playing off what the President of the United States has said and done, and so far all we've heard is my way or no way. I don't believe that the Republican Members of this Congress came here to walk in lock step, and certainly we didn't on this side of the aisle. We will find out as the process unravels.

And so with that, I would simply urge that we support this motion.

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

The SPEAKER pro tempore. Without objection the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. OBEY).

The motion was agreed to.

MOTION TO INSTRUCT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Madam Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. Lewis of California moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 3043, be instructed to disagree to any proposition in violation of clause 9 of Rule XXII which:

(1) Includes any additional funding or language not committed to the conference;

(2) Includes matter not committed to the conference committee by either House; or

(3) Modifies specific matter committed to conference by either or both Houses beyond the scope of the specific matter as committed to the conference committee.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from California (Mr. LEWIS) and the gentleman from Wisconsin (Mr. OBEY) each will control 30 minutes.

The Chair recognizes the gentleman from California.

Mr. LEWIS of California. Madam Speaker, I can't help but mention that the preceding discussion must be very enlightening to Americans across the country who may be interested in what we have to say here. It's always been my personal belief that the vast percentage of problems that we face as a people have very little to really do with partisan politics if we can get people together at the subcommittee level to really talk with each other about finding solutions, but clearly, clearly, Madam Speaker, it has to be apparent to almost everybody who had listened today that one side of the aisle in this body seems to believe that the only solution to every problem around is to throw more money at it. That clearly is not the case. Many a solution is found by way of people working together, not just throwing money at some wall.

Madam Speaker, in this motion to instruct conferees, I really repeat the point that the subcommittee members who work within the Labor-HHS community have great expertise in the programs within this arena. They spend a lot of energy and time applying themselves to that work.

Today we're in a process where we're going to tie that piece of work to a combination of two other bills. It's totally unnecessary. The Defense bill passed the House by very sizeable bipartisan numbers. Indeed, the MilCon-VA bill did the same. To suggest that we can't go forward with Labor-HHS as a separate product, I think this is a very unhealthy reflection on the work of that subcommittee.

This motion says the conference can only conference the Labor-HHS bill. They cannot consider adding Defense, MilCon-VA, or other matters outside the scope of the Labor-HHS conference. The Members who serve on the Labor-HHS subcommittee should be making decisions in an open conference regarding the disposition of programs and funding levels in that bill, not other appropriations bills related to the troops, veterans, or other items outside the scope of that conference.

Members serve on subcommittees and have the expertise I suggest because they work within those subcommittees. The people on Labor-HHS, very talented in their work, spend relatively

little of their time in the Defense arena, as well as the arena that deals with MilCon and veterans.

To air-drop Defense appropriations conference reports and the MilCon-VA bill into this process is absolutely unprecedented, in my view, and is a disservice to our Appropriations Committee.

Politicizing these bills and circumventing the normal practice of this and other committees does nothing more than undermine the American people's faith in their government.

Let's move beyond purely partisan politics and send the President a free-standing Labor-HHS bill, as well as individual Defense and MilCon-VA appropriations.

Madam Speaker, I reserve the balance of my time.

Mr. OBEY. Is the gentleman sure he doesn't want to yield back? Could I inquire of the gentleman how many speakers he intends to have on this?

Mr. LEWIS of California. I think maybe there are two or three.

Mr. OBEY. All right. We'll try to do the same.

Madam Speaker, I yield myself 5 minutes.

Let me simply say, Madam Speaker, that what the gentleman is saying is that he wants to prevent us from doing something on this bill which his party did 56 times in the time that they controlled this House over the past 12 years, and I don't find that especially persuasive.

He also wants to prevent us from producing more than one bill at a time, and yet the President signed omnibus appropriation bills 27 times since he's been President, when they came from his own party. Now, because one might come from the Democratic Party, he wants to make a Federal case out of it. I don't think people are going to be very impressed with that either.

I find it very interesting that out of all of the motions that the minority could have offered, they haven't offered a single motion, and nothing in this motion today would in any way reduce by one dime any of the funds that we appropriated in the Labor-Health-Education bill. They argue that the bill is bloated, and yet when we give them an opportunity to offer motions to reduce spending for any specific item they don't take advantage of it.

That is exactly the same experience we had when the subcommittee considered the bill, and in fact, virtually every Republican motion and every Republican speech was on behalf of an effort to increase funding for a number of items, whether it be vocational education, which I agree with, or whether it be Pell Grants or whether it be special education.

So I find it interesting that after all of that rhetoric about so-called bloated funding for this bill they choose to argue an arcane process issue.

All they're really saying is, when you consider Labor-Health, don't even think of moving forward with Military Construction, don't even think of moving forward with Defense, don't even think of addressing the problem of California wildfires, don't even think of adding additional funding for MRAPs. Well, if they're comfortable with that, fine. I don't think we ought to let procedural theology get in the way of doing what's needed for American families and American veterans and American fighting men and women.

So, with that, I would simply urge a ''no'' vote on the motion.

Madam Speaker, I reserve the balance of my time.

Mr. LEWIS of California. Madam Speaker, I'm pleased to yield 3½ minutes to Judge CARTER of Texas, a member of the committee.

Mr. CARTER. Madam Speaker, I thank the gentleman for yielding me this time, and I rise in support of the motion to instruct conferees.

I've been sitting here listening to what's been said here today and trying to figure this all out. I think everybody, I think the American people are trying to figure it all out. It's an interesting process to analyze how the Congress is working on this appropriation process.

But when you really look down as to what we're doing here, we're trying to solve three problems this week on this issue of appropriations. We've got three areas that we're going to look at.

We've got a problem that we want to resolve. We want to fund the Department of Defense and the job that they do defending our Nation, and we've got an appropriations bill that deals with that, deals with protecting our soldiers in the field, getting their mission done and all the things that go attached to the Department of Defense.

We've got a second issue we want to deal with. We want to take care of those veterans that have served us so well and so proudly over the years, make sure that we fund the programs that are necessary for them and to do the necessary military construction of the various bases around the world that is necessary to make sure we're providing for our active duty military what they need. We have those two bills that we've got to deal with this week.

□ 1645

We have a third bill, which is the Labor-HHS bill, that deals with issues of labor, health and human services. All those are important bills. Let's figure out how we can best get this done. The American people gave us a little survey this last week. They told us the one thing they are mad at us about is they say, why don't you just get something done? Why don't you get through the bull and get down to doing the job? That's their number one complaint.

Let's look at this. What's the best way to do this? We've got a Defense bill that there is really no obstacles for that anybody can find. Everybody is pretty much okay on that. We've got a MilCon-Veterans bill. In fact, we made an agreement when we had that little fight over earmarks that we would let those go without even discussing the earmarks, because they were going to go fast track through and be done very quickly. Nobody has got a complaint with that.

Then we have got one bill that a third branch of government has a serious complaint with and has the ability to actually veto. Let's see. Is it an efficient way to do our job this day, to take the two bills we can get done very simply and attach it to a bill that has a major roadblock on it? Is that doing our business efficiently? It seems to be not a good idea to me, but maybe it is. But why would we want to do that? We can pass two easily. The third, we're going to have a long discussion about and a fight and maybe a veto. We could get it done if we separated them apart, but we're putting them together. Why do we do that? Maybe it's because they've got people on their side of the aisle that won't vote for the Defense bill. There are 89 of them that said they won't. So maybe this would coerce them to do it. Or maybe they think they can roll over the President and the Republicans on the issue of spending. Who knows. But let's get down and do it efficiently and just deal with Labor-HHS today.

Mr. OBEY. Madam Speaker, I yield 3 minutes to the gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. I thank the chairman.

Mr. Speaker, I must say I am hearing some conflicting priorities on the floor today. We have heard that the appropriations process is not moving fast enough, despite the fact that under the leadership of Chairman OBEY in the House, we passed every single one of our appropriations bills, I believe in record time. We are hearing that the appropriations process isn't moving fast enough on the one hand, and now we have a motion to instruct the conferees to actually slow it down, to take pieces out of this bill, to stop it. You can't have it both ways. We are trying to get things done. We are trying to move our priorities forward.

Now, I understand that some of my friends don't want to deal with the labor, health and human services aspects of this bill, and they are concerned with the President's argument that we have plenty of money to fund Iraq but can't afford veterans health care here at home and educational priorities here at home and low-income heating for the elderly here at home.

I understand those arguments, but let me suggest to my colleagues that they read a study that was just released yesterday by Harvard Medical School. That study shows there is, in fact, a critical connection between the VA pieces of this bill and the health and human services aspects of this bill. The two should be considered together. That study found that, today, there are 2 million veterans who have no health insurance. And they aren't eligible for

VA benefits. Not eligible for VA benefits and too poor to afford health insurance. The number of uninsured veterans jumped to 1.8 million in 2004, and the population of uninsured veterans is increasing at twice the rate of the general population.

Now, the Labor-H aspects of this bill provides $1.4 billion above the President's request for programs to improve health care access. So taken in its totality, this bill, without segregating the human services components, taken in its totality, this bill protects our troops in the field and also provides access to veterans at home who may not qualify for veterans benefits. As has been stated before, our veterans are a whole. They come back from the war, the last thing they should worry about is not having health insurance. It's the labor, health and human services aspects of this bill that could provide additional access to health care, and that is why this bill ought to be considered as it is.

I would make one other point. We have already considered these bills separately. Each of these components were, in fact, debated, deliberated and passed with overwhelming bipartisan support in the Appropriations Committee and then debated again, deliberated again and passed with significant Republican support on the floor of the House.

There is no reason to move backwards. There is no reason to delay. There is no reason to stop this process. We want to get these bills to the President. We should do so.

Mr. LEWIS of California. Madam Speaker, I yield 3 minutes to the ranking member on the Labor and Education Committee, BUCK MCKEON from California.

Mr. MCKEON. I thank the gentleman for yielding.

Madam Speaker, I rise in support of the motion to instruct conferees. I am disappointed to be standing here under these circumstances.

A full month into the new fiscal year, the Democrats have failed to send a single spending bill to the President for his signature or veto. The President laid out his positions early this year, asking the Congress to adhere to fiscally responsible spending caps.

Democrats have been unwilling or unable to control their spending, passing bills that topped these spending targets by billions of dollars. Now, rather than moving separate bills to support our troops and veterans, Democrats are holding these bills hostage to the swollen Labor, Health and Human Services and Education spending bill.

As the former chairman of the Education Committee, I know firsthand the arguments the other side will make on funding in that bill. So let's focus on the facts. Republicans are strong supporters of programs that support education, health care and workers. Our fiscally responsible spending targets allow significant resources for these programs. Republicans have a strong record when it comes to funding education.

At the same time, we know that the achievement gap in our schools is not caused by a lack of funding, but by a lack of accountability. Throwing money at the problem is not the answer. Our committee is a case study in how the priorities of Democrats diverged from those of the American people.

Democrats have failed to act on the No Child Left Behind, the higher education, and job training bills this year. Yet, they have passed bills to strip workers of the right to a secret ballot election, overturned six decades of civil rights law, and created new entitlement spending at the expense of low- and middle-income college students. The worst may be yet to come.

When Democrats finally take up higher education reform, we may see prisoners getting Pell Grants and drug dealers getting Federal aid. The Democrats have, quite simply, got their priorities in the wrong place. It's time to get back to work and fund these three bills separately for our troops, our veterans, and our students.

Mr. OBEY. Madam Speaker, I have only one remaining speaker, so I would ask the gentleman to finish.

Mr. LEWIS of California. Madam Speaker, how much time is remaining?

The SPEAKER pro tempore. The gentleman from Wisconsin has 24 minutes. The gentleman from California has 21 minutes.

Mr. LEWIS of California. Madam Speaker, I would yield to my colleague from Florida, former chairman of the Appropriations Committee, BILL YOUNG, for as much time as he may consume.

Mr. YOUNG of Florida. I thank the chairman for yielding me the time.

Madam Speaker, I rise to applaud Chairman OBEY for the statements that he has made since the beginning of this session of Congress that we are going to pass all of the appropriations bills individually, separately, and send them to the President, individually and separately. I think that is a great idea. As a former chairman of this Appropriations Committee, I wish I could have done the same thing.

I understand the frustration that Chairman OBEY has in not being able to move the bills the way that he wants to move them. I experienced the same frustration. Mr. OBEY is right. We did have omnibus bills during the time that we were the majority party. The reason we had the omnibus bills is because our partners in the Senate refused to pass their bills.

Now, Chairman OBEY has said so many times that we just didn't do our job. In the House, we did our job. In the House we passed our appropriations bills just like Chairman OBEY did this year, but it takes two Houses to approve a bill and to send it to the White House.

The frustration is that without appropriations bills, the government shuts down. It's pure and simple. Article I of the Constitution of the United States, section 9, says that the administration can't spend any money that has not first been appropriated by Congress. So in order to meet that constitutional responsibility, we have had, on occasion, the need to create an omnibus appropriations bill because the Senate refused to pass their bills. Now, I will concede that during our chairmanship the Senate was a Republican Senate. It was controlled by the Republicans.

Today, the United States Senate still refuses to pass all of their appropriations bills, and today the Senate is controlled by the Democrats. So it just seems like the Senate is the Senate, no matter who controls them politically. But in the case that we are debating today, there is absolutely no good government reason to combine these three bills. Combining these bills will slow them down.

It has been suggested by some of the speakers we ought to move ahead. The Defense appropriations subcommittee was scheduled to conference tomorrow morning to send the bill to the Senate and to the White House. I understand the Labor-HHS Subcommittee was also scheduled to conference tomorrow. These bills could have been conferenced and, by the way, the Military Construction Veterans' Affairs Committee was also prepared to conference, and the President said that he would sign that bill, he would sign the Defense bill. He expressed his concern about the Labor-H bill.

I voted for all three of them. I voted for the Defense bill, I voted for the Military Construction Veterans Affairs bill, and I also voted for the Labor-HHS bill. I think we ought to handle these bills individually to speed up the process, not to slow it down.

By combining these three bills, we all know that it will slow down the process. How long would it slow it down? I don't know, but I do know this, that there is already talk about conducting the appropriations process on these bills on a continuing resolution if it gets slowed down too much. That's not good.

We have done CRs, and we know that, and we know the reason for them. But there is no good reason to put these bills on a CR. They are ready to conference. They are ready to come back to the House and go to the Senate and go to the White House. They are ready. There would be no delay.

It's just not right because there is no good government reason to do this. It's just not right to do it. I suggest that we should join in supporting Chairman OBEY when he says that these bills should be done individually, separately and sent to the President in that fashion, individually and separately.

I support this motion because, if this motion does not pass, and if we appoint Labor-HHS conferees to conference the Defense bill, I mean, they are all very, very talented members, and they all

have great knowledge, but, you know, none of them sat through the hearings. None of them sat through the justifications. None of them sat through the markups.

So to have the Labor-HHS members who are outstanding members on both sides of the aisle, to have them conferencing a large bill as complicated as the Defense bill, that's just not right. It's really interesting that the bills that the leadership would add to the Labor-HHS bill make up 80 percent of the dollars to be appropriated.

□ 1700

The Labor-HHS bill, which becomes the vehicle, is only 20 percent of the appropriations.

This is not right. I'm not going to suggest why the majority leadership made this decision. But I'm going to say, emphatically and without fear of contradiction, there is no good government reason for combining these three bills, because they are ready to be conferenced and sent to the President without any delay whatsoever.

And I thank the gentleman for yielding and for the good job that he does in his role on the Appropriations Committee.

Mr. OBEY. Can I inquire how many speakers the gentleman has remaining.

Mr. LEWIS of California. I have one additional speaker to close.

Mr. OBEY. Just one?

Mr. LEWIS of California. Yes, sir.

Mr. OBEY. Then I'm the last speaker on our side.

How much time remaining?

The SPEAKER pro tempore. The gentleman from Wisconsin has 24 minutes.

Mr. OBEY. I yield myself 5 minutes.

Madam Speaker, I simply want to repeat what the gentleman from Ohio said earlier. We often see politicians try to wrap themselves in the flag, and we often try to see politicians pose for holy pictures every time the issue of veterans comes up. And America's very good at saluting veterans and playing the band when they go off to war. We haven't been as good in dealing with their problems after they come home.

And so what we intend to do in the Military Construction bill, in the Defense bill, in the Labor-Health bill, and in a number of other appropriation bills is we intend to deal with all of the problems faced by veterans and their families and other families in this country.

When veterans come home, they aren't just worried about whether or not they're going to get veterans health care. They also want to know whether the kids are going to be able to go to decent schools, taught by qualified teachers in decent classrooms. So we are going to be trying to see to it that programs such as title I and handicapped education are much more adequately funded than they would be under the President's budget.

Impact Aid, that directly affects many military families. We're trying to make sure that we do a better job funding that program than the President did in his budget.

Medical research, believe it or not, veterans need the results of medical research just as much as and probably more so than many other Americans. We're going to see to it, in our bill, that we don't experience a cutback of 1,100 grants in military research around the country.

I would suggest that this motion simply says that the new minority does not want us to do something which they did 56 times when they ran this House, namely, combine appropriation bills for the purpose either of efficiency or to strengthen our capacity to meet our obligations around the horn.

I also think something else is going on. Under the budget rules of the House, the President does not have the right to veto a budget resolution; he only has the right to veto appropriation bills. But what he is trying to do, by asserting that he, and he alone, will determine what the overall number is for appropriations, he is trying to indirectly position himself so he can veto a budget resolution. He's never had that power. The Congress never gave him that power, and the Constitution certainly doesn't.

So I would suggest that one of the probably unintended consequences of the motion of the gentleman from California is that it would, inadvertently, transfer additional power to the executive branch. I don't think that's wise.

Having said all of that, I want to make one more point. I know the gentleman from Florida would never want to misstate or misquote any other Member, but I was somewhat stunned to hear him suggest that I have said that we must pass these appropriation bills singly. In fact, I have said many times on this floor just the opposite.

I've said that, unlike the previous chairman, who was extremely concerned about passing each of these bills separately, that while I would prefer to do it that way, I would be happy, if that didn't work, to pass them in minibuses or omnibuses or any other kind of bus you can find, so long as we deliver the goods, and so long as the goods are the right goods for the American people. And that's the philosophy I have.

So I would simply suggest, we've had more debate than I'd expected today on procedural niceties. I would suggest that we simply recognize that we've got an obligation to get on with completing our appropriations business. This is the most effective way we can do it.

All three of these bills passed the House on a bipartisan basis, and I have no reason to expect that they won't do the same when they come back from conference.

I do want to say that I agree with not all, but some of the comments made about our esteemed colleagues in the other body, but that's a discussion for another day.

And with that, if the gentleman has one remaining speaker, then I'm prepared to yield back the balance of my time.

Mr. LEWIS of California. Madam Speaker, I yield the balance of my time to the ranking member of the Labor-HHS Subcommittee, JIM WALSH of New York.

Mr. WALSH of New York. I thank my friend from California for yielding time, and I rise in strong support of this motion to instruct conferees.

Before I do that though, I'd like to comment, just make a couple of comments on some of the debate that's occurred, specifically, the notion that the Republican Party, when we were in the majority, did not pass our military quality of life and veterans bills. And I know the chairman knows this, but we did. In the House, we did. We passed our bills overwhelmingly. And we ran into a little problem with the other body. And I know the chairman feels our pain there because he has been and will continue to be running into problems with the other body, and I will work with him on those. But we did conscientiously work to resolve these issues here in the House. And I think historically, at least in my brief time here, we have done that. But the Senate is the Senate, and they do what they do. We do it our own way, and I think we do it very effectively regardless of the party in power in the House.

I would also mention, because the chairman did a little bit of crowing about the things that they are doing in this bill and they've done in the other bills, we passed, year after year after year, record increases in veterans health care spending. And they were needed because we have so many veterans coming back from Iraq and Afghanistan with severe injuries, both physical and mental. But we stepped up to the plate and we did it in a bipartisan way. And we passed record increases. I think, on average, 10 percent increases per year; faster growth than any other budget in the Federal Government. So we are second to none in our support of veterans. And we will continue to support those bills that the other party passes if they are truly bipartisan. And I think this one, the Military Construction and VA bill is.

Back to the motion to instruct the conferees. Quite simply, what this motion says is that the conferees on Labor, Health and Human Services, Education and Related Agencies appropriations bills should not add material to the conference report that was not approved by either House or the Senate. This should not be controversial, but based on what has happened here today, it is.

The reality is that this majority should not be combining a bill that has received a veto threat with two other bills that have not.

I've supported the Labor-H bill throughout this process. Chairman OBEY has been fair, and I've worked with him shoulder to shoulder to bring this bill forward. He has fought for Republican and Democratic initiatives

and measures equally, and I thank him, and he has my respect for that. But I was not consulted when it came to putting these three bills together.

I voted for the Military Construction-VA bill. I voted for the defense bill. They are all good bills, in my humble opinion. The Senate has passed all three bills, as has the House. There is no reason why these three bills cannot be conferenced individually, sent to the President individually and accepted or rejected individually. But most assuredly, by combining them, they are all doomed to fail. If the President vetoes any of the three freestanding conference reports, we in the House, and our colleagues in the other body, will have an opportunity to override that veto.

Frankly, I see the effort to attach the Defense and Military Construction-Veterans bills to the Labor-HHS bill as nothing more than posturing and, in fact, brinksmanship.

Madam Speaker, the resulting bill would represent everything that is wrong with Washington. The confusion that will ensue in the country will only serve as a shining example of why this Congress today enjoys its lowest approval ratings in generations.

The people of New York's 25th Congressional District sent me to Washington to represent their interests and to solve problems. This effort to combine these bills creates a problem.

This Congress has produced less than a handful of bills in 10 months, and no appropriations bills to date. We can pass and have signed two bills easily, the Veterans bill and the Defense bill. But instead, by combining these bills to Labor-H, we will bring them all down. It is a plan to fail, just like the SCHIP bill was.

As I said, I support the Labor-HHS bill and I will likely continue to support it as a freestanding bill.

I understand politics and I understand political strategy, but putting funding for veterans health care and our military at risk to score points is beyond the pale.

I know there are some Members of Congress and some individuals in the White House who would like to see this government continue to operate on a continuing resolution as we have this past year. I don't. We can pass these bills stand-alone, but we can't pass them lashed together.

This process hurts the credibility of the Appropriations Committee, a committee that has historically been nonpartisan and task oriented.

Mark my words, if we continue along this path, we will be operating on a CR again in 2008. And for a third year in a row, no Member requests will be honored in the Labor-HHS bill, and for a third year in a row, the Appropriations Committee will fail to meet its responsibilities.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 191, nays 222, not voting 19, as follows:

[Roll No. 1026]

YEAS—191

Aderholt
Akin
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Broun (GA)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Culberson
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Herger
Hobson
Hoekstra
Hulshof
Hunter
Inglis (SC)
Issa
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Taylor
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—222

Abercrombie
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Brady (PA)
Braley (IA)
Brown, Corrine
Capps
Capuano
Cardoza
Carnahan
Carney
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth Sandlin
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meek (FL)
Meeks (NY)
Melancon
Michaud
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Richardson
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schwartz
Scott (GA)
Scott (VA)
Serrano
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Space
Spratt
Stupak
Sutton
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Tsongas
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—19

Ackerman
Alexander
Butterfield
Carson
Cubin
Hensarling
Jindal
Latham
LaTourette
McCrery
Miller (NC)
Paul
Ryan (WI)
Schiff
Sestak
Stark
Wasserman Schultz
Weller
Wilson (OH)

□ 1736

Messrs. KUCINICH, HONDA, WATT, BISHOP of Georgia, SPRATT, KLEIN of Florida, MARSHALL, OBERSTAR, STUPAK and DONNELLY, and Ms. BERKLEY and Ms. MATSUI changed their vote from ''yea'' to ''nay.''

Mr. HASTERT changed his vote from ''nay'' to ''yea.''

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RYAN of Wisconsin. Madam Speaker, I was absent for legislative business conducted after 3 p.m. on October 31, 2007, due to a family matter that required my personal attention. As a result, I missed rollcall votes 1025 and 1026.

Had I been present, I would have voted "nay" on rollcall vote 1025, final passage of H.R. 3920, the Trade Adjustment and Assistance Act of 2007.

In addition, I would have voted "yea" on rollcall vote 1026, a motion to instruct conferees to H.R. 3043, the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 2008.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees on H.R. 3043:

Mr. OBEY, Mrs. LOWEY, Ms. DELAURO, Mr. JACKSON of Illinois, Mr. KENNEDY, Ms. ROYBAL-ALLARD, Ms. LEE, Mr. UDALL of New Mexico, Mr. HONDA, Ms. MCCOLLUM of Minnesota, Messrs. RYAN of Ohio, MURTHA, EDWARDS, WALSH of New York, REGULA, PETERSON of Pennsylvania, WELDON of Florida, SIMPSON, REHBERG, YOUNG of Florida, WICKER, and LEWIS of California.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON ARMED SERVICES

The SPEAKER pro tempore laid before the House the following resignation as a member of the Committee on Armed Services:

OCTOBER 31, 2007.

Hon. NANCY PELOSI,
Speaker, House of Representatives,
The Capitol, Washington, DC.

DEAR MADAM SPEAKER: This letter is to advise you that, effective today, I am resigning my seat on the House Armed Services Committee. I look forward to resuming my service on the Armed Services Committee when my term on the House Permanent Select Committee on Intelligence expires. I understand that I will retain my seniority on Armed Services for the duration of my leave.

Thank you for your assistance with this matter.

Sincerely,

JAMES R. LANGEVIN,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

138 DAYS, NO VETERANS BILL

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

Mr. BOOZMAN. Mr. Speaker, I come here today to continue my call on the leadership to move the Veterans appropriations bill forward.

As of today, we have gone 138 days in this Chamber with no action, no plan of action, and more importantly, no veterans bill. I am concerned that we have a $4.4 billion increase in veterans health care collecting dust on someone's desk in this very building. I suspect that there are many people here today and watching at home who are also troubled as well.

I'm proud that the veterans issues are not partisan. They never should be. I am also proud to be a member of a bipartisan Veterans Committee. I am not proud, however, that we have gone this long into the year without a single appropriations bill.

I call on the leadership of the House to get on the stick, get past whatever reason or strategy that is holding this important bill up, and get a clean bill to the President so we can deliver this money to these heroes to whom we owe so much.

FISA

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

Mr. MCDERMOTT. Mr. Speaker, we've been here before. In the 1920s, America spied on its citizens and arrested thousands because they advocated for change. In the 1950s, America black-listed innocent Americans whose only crime was to run afoul of Senator Joe McCarthy. In the 1970s, America illegally spied on people in the civil rights and the Vietnam antiwar movements, including Dr. Martin Luther King.

The transgressions were so egregious that a courageous Senator Frank Church from Idaho led a search for truth and affirmation of freedom. In the end, the Congress passed FISA, the Foreign Intelligence Surveillance Act. FISA provides a swift and certain means for America to meet any threat without threatening America's freedoms. But this administration seems it cannot defend America without demolishing America's freedoms.

The President wants the Congress to undermine FISA with new legislation that would make it easy to spy on any American, just like the 1920s, the 1950s and the 1970s. These are not the good old days, and I oppose any attempt to use fear to subvert freedom.

We can keep America safe without sacrificing America in the process. I urge my colleagues to remember why FISA was created and why we should not neuter it in the near future.

TRADE AND GLOBALIZATION ASSISTANCE ACT

(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, today the House passed the Trade and Globalization Assistance Act of 2007, and I was very proud to support this legislation. And I thank Chairman RANGEL and, of course, Chairman MILLER for their insight.

A couple of years ago, when we moved on the permanent normal trade relations with China, I worked with the then-Clinton administration to craft an executive order that addressed the question of the loss of jobs when there was a trade bill. We thought that this particular executive order could lay the groundwork for providing for small businesses and those various sectors of the country that would lose their employment or their economic opportunity. Well, look at the trade imbalance now. This is a forthright bill that expands the opportunities for service workers, manufacturers, insists on enrollment opportunities, and it is a good start.

I don't know what the journey will be on future trade bills, but America has to start standing up for its own workers, its own regions, and making sure that small businesses do not lose their economic opportunity simply because we want to engage in globalization. Globalization may be good, but Americans have to be protected, and I was very glad to vote for this legislation today.

□ 1745

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3920, TRADE AND GLOBALIZATION ASSISTANCE ACT OF 2007

Mrs. MCCARTHY of New York. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of H.R. 3920, to include corrections in spelling, punctuation, section numbering and cross-referencing, and the insertion of appropriate headings.

The SPEAKER pro tempore (Mr. YARMUTH). Is there objection to the request of the gentlewoman 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 VIETNAM WAR REDUX

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

Ms. WOOLSEY. Mr. Speaker, the first national protest demonstration against the Vietnam War occurred 40 years ago this month. About 100,000 Americans came to Washington in October 1967 to protest that foreign policy disaster.

Vietnam was a war of choice. We invaded a country that never attacked us. We sent our troops into the middle of a civil war that had nothing to do with us. We went to war in a country whose culture or history we did not understand. We had no exit strategy.

We went to war after Congress authorized the President to do so. We

found out later that the congressional resolution was based on false information supplied by the administration.

The Vietnam War divided our people. It led to the deaths of thousands of American troops and countless innocent civilians. It undermined our moral leadership in the world. We went to war alone. We were isolated from our allies. It was a propaganda victory for our enemies.

There is more, Mr. Speaker. We propped up an often corrupt government that couldn't figure out how to rule. We kept waiting for South Vietnamese troops to stand up so we could stand down. The Vietnam War squandered our Nation's treasure. It diverted us from solving our own domestic problems.

We said the war was all about spreading freedom. But the people of the country we invaded saw it as a foreign occupation. The occupation went on year after year. It passed from one administration to another. Our leaders kept telling us victory was just around the corner if we put more troops in. It devastated the country we were trying to save. It was a political, economic and moral catastrophe for America.

That was Vietnam. But it sounds exactly like Iraq. Today we are repeating the same terrible mistakes in Iraq that we made 40 years ago in Vietnam. Some of the Members of this House who support our occupation of Iraq lived through Vietnam. They have had 40 years to think about it. Yet they still miss the point. The doctrine of preemptive war is not suited to America because we are not warmongers. The American people do not believe in shooting first and asking questions later.

There is one other mistake we made back then that I hope we won't repeat, but I am afraid we will. The war in Vietnam spread to another country when we bombed Cambodia. Today, there is growing evidence that the administration is getting ready to spread the war in Iraq to another country. That would be Iran. About a week ago, the administration warned that Iran would face serious consequences if it proceeded on its current course. We all wonder what that means. Does it mean another round of shock and awe? Another country for our reckless leaders to bomb?

But the administration needs to consider the ''serious consequences'' that America will face if we attack yet another Middle Eastern country. Our occupation of Iraq has produced a fresh new crop of terrorists. Using military force instead of diplomacy to get Iran to act responsibly will certainly do the same.

In 1999, Mr. Speaker, when America was involved in Kosovo, the then-Governor of Texas said, and I quote him, ''Victory means exit strategy, and it's important for the President to explain to us what that exit strategy is.'' That Governor of Texas is now in the White House. But he is not following his own advice.

The administration has no exit strategy for Iraq. So it is up to Congress to provide one. We must use our power, the power of the purse, to defund the war. Then we must fully fund the safe, orderly and responsible redeployment of our troops' withdrawal and the withdrawal of all military contractors. Then we must launch a vigorous regional and international diplomatic effort to bring peace to Iraq and help it rebuild.

A few years ago, the administration called for an initiative to improve Americans' understanding of history. Our leaders in the White House should start by learning the history of Vietnam.

THE RIGHTS OF THE INDIVIDUAL

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

Mr. POE. Mr. Speaker, I think it is wise from time to time that we in this House reflect upon our heritage, who we are and where we get our dignity as individuals in this country. As a former judge in Texas for over 22 years, I like to spend time in our schools, our elementaries, junior highs, high schools and even our law schools, discussing all aspects of the United States and our history. And I would often ask this question to the groups that I was talking to: ''Where do we, as Americans, get our rights?''

Sometimes asking that question would cause people some concern that made them somewhat uncomfortable, especially the elites in our law schools. I would ask those questions to not only law professors but justices on our courts throughout the fruited plain.

But the answers would vary from the students. Some would say we get our rights from our parents. Others would say, well, we get our rights from the President. Even one student last week told me we get our rights from Harry Potter. But most of the kids that I would talk to and most of the professors I would talk to say, well, we get our rights as Americans from government.

All of those answers, I submit to you, Mr. Speaker, are wrong because we don't get our rights from any of those entities. We talk about our rights, we claim we have rights, but we never talk about where we get them. I think it would be easier to describe a story that occurred shortly after the Iron Curtain, as Churchill called it, came down, the Berlin Wall, the wall that separated East from West, freedom from slavery. When the wall came down, there were numerous political prisoners in Eastern Europe that were finally freed but put in prison by those oppressive governments for exercising what they believed to be freedoms. One was a Prague, Czechoslovakian student who had gone to prison for 7 years and was serving time because he was reading on the steps of Prague University a forbidden document, a document that that Communist regime said that no one shall read in public.

I would like to read a portion of that document here tonight. He quoted someone from the United States. In that statement where he spent 7 years in prison, he stated, ''We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty, the pursuit of Happiness, that to secure these rights, Governments are instituted among Men, deriving the just powers from the consent of the governed.''

Yes, Mr. Speaker, that Prague student who spent 7 years in prison understood where his rights came from. It was not from government, but it was from the Almighty, the Creator, as quoted in the Declaration of Independence that he chose to read and cost him 7 years of his freedom, that Declaration of Independence that was written and authored by Thomas Jefferson.

Of course that document was the status and the statement and the indictment against King George, not the people of England, but King George, the Government of England, for why the United States had a right to be a separate and independent nation. It was an indictment stating the causes, and finally the Constitution was the government that we set up to preserve the rights in the Declaration of Independence.

We get our rights from the Creator. Because if we get our rights from government, governments can take those rights away from us at any time government wishes to do so. Mr. Speaker, 49 of the 50 States have in their preambles a reference to the Almighty. Many of those preambles mention the fact that they get their rights in the States from the Creator.

The Bill of Rights in our Constitution limits government. Government does not have rights. Government has power. And government gets power from us when we choose to give up individual liberty and give up individual rights. Government has the power to control us and control our liberties only if we let it. So the Bill of Rights and the Constitution says government was set up to protect the rights that we have, those God-given rights of life, liberty and the pursuit of happiness. In fact, the ninth amendment to the Bill of Rights says there are more rights that aren't even listed in the Bill of Rights that we have.

Mr. Speaker, on the Jefferson Memorial down the street from where we all are is written a quote by Thomas Jefferson which says, ''God who gave us Life gave us Liberty. Can the liberties of a nation be secure when we have removed a conviction that these liberties are the gift of God?''

Mr. Speaker, if we fail to acknowledge this legal principle of God-given rights, then we deny our heritage as Americans and our reason to be a free people.

And that's just the way it is.

STATE CONSTITUTIONS—REFERENCES TO GOD

Alabama 1901, Preamble: We the people of the State of Alabama, invoking the favor and guidance of Almighty God, do ordain and establish the following Constitution.

Alaska 1956, Preamble: We, the people of Alaska, grateful to God and to those who founded our nation and pioneered this great land.

Arizona 1911, Preamble: We, the people of the State of Arizona, grateful to Almighty God for our liberties, do ordain this Constitution . . .

Arkansas 1874, Preamble: We, the people of the State of Arkansas, grateful to Almighty God for the privilege of choosing our own form of government . . .

California 1879, Preamble: We, the People of the State of California, grateful to Almighty God for our freedom.

Colorado 1876, Preamble: We, the people of Colorado, with profound reverence for the Supreme Ruler of Universe . . .

Connecticut 1818, Preamble: The People of Connecticut, acknowledging with gratitude the good Providence of God in permitting them to enjoy.

Delaware 1897, Preamble: Through Divine Goodness all men have, by nature, the rights of worshiping and serving their Creator according to the dictates of their consciences.

Florida 1885, Preamble: We, the people of the State of Florida, grateful to Almighty God for our constitutional liberty, establish this Constitution . . .

Georgia 1777, Preamble: We, the people of Georgia, relying upon protection and guidance of Almighty God, do ordain and establish this Constitution . . .

Hawaii 1959, Preamble: We, the people of Hawaii, Grateful for Divine Guidance . . . Establish this Constitution . . .

Idaho 1889, Preamble: We, the people of the State of Idaho, grateful to Almighty God for our freedom, to secure its blessings.

Illinois 1870, Preamble: We, the people of the State of Illinois, grateful to Almighty God for the civil, political and religious liberty which He hath so long permitted us to enjoy and looking to Him for a blessing on our endeavors.

Indiana 1851, Preamble: We, the People of the State of Indiana, grateful to Almighty God for the free exercise of the right to choose our form of government.

Iowa 1857, Preamble: We, the People of the State of Iowa, grateful to the Supreme Being for the blessings hitherto enjoyed, and feeling our dependence on Him for a continuation of these blessings establish this Constitution.

Kansas 1859, Preamble: We, the people of Kansas, grateful to Almighty God for our civil and religious privileges establish this Constitution.

Kentucky 1891, Preamble: We, the people of the Commonwealth are grateful to Almighty God for the civil, political and religious liberties . . .

Louisiana 1921, Preamble: We, the people of the State of Louisiana, grateful to Almighty God for the civil, political and religious liberties we enjoy.

Maine 1820, Preamble: We the People of Maine acknowledging with grateful hearts the goodness of the Sovereign Ruler of the Sovereign Ruler of the Universe in affording us an opportunity . . . And imploring His aid and direction.

Maryland 1776, Preamble: We, the people of the state of Maryland, grateful to Almighty God for our civil and religious liberty . . .

Massachusetts 1780, Preamble: We . . . the people of Massachusetts, acknowledging with grateful hearts, the goodness of the Great Legislator of the Universe . . . In the course of His Providence, an opportunity and devoutly imploring His direction . . .

Michigan 1908, Preamble: We, the people of the State of Michigan, grateful to Almighty God for the blessings of freedom establish this Constitution.

Minnesota 1857, Preamble: We, the people of the State of Minnesota, grateful to God for our civil and religious liberty, and desiring to perpetuate its blessings:

Mississippi 1890, Preamble: We, the people of Mississippi in convention assembled, grateful to Almighty God, and invoking His blessing on our work. . . .

Missouri 1845, Preamble: We, the people of Missouri, with profound reverence for the Supreme Ruler of the Universe, and grateful for His goodness . . . Establish this Constitution.

Montana 1889, Preamble: We, the people of Montana, grateful to Almighty God for the blessings of liberty establish this Constitution.

Nebraska 1875, Preamble: We, the people, grateful to Almighty God for our freedom . . . Establish this Constitution.

Nevada 1864, Preamble: We the people of the State of Nevada, grateful to Almighty God for our freedom establish this Constitution.

New Hampshire 1792, Part I. Art. I. Sec. V. Every individual has a natural and unalienable right to worship God according to the dictates of his own conscience.

New Jersey 1844, Preamble: We, the people of the State of New Jersey, grateful to Almighty God for civil and religious liberty which He hath so long permitted us to enjoy, and looking to Him for a blessing on our endeavors.

New Mexico 1911, Preamble: We, the People of New Mexico, grateful to Almighty God for the blessings of liberty.

New York 1846, Preamble: We, the people of the State of New York, grateful to Almighty God for our freedom, in order to secure its blessings.

North Carolina 1868, Preamble: We the people of the State of North Carolina, grateful to Almighty God, the Sovereign Ruler of Nations, for our civil, political, and religious liberties, and acknowledging our dependence upon Him for the continuance of those.

North Dakota 1889, Preamble: We, the people of North Dakota, grateful to Almighty God for the blessings of civil and religious liberty, do ordain . . .

Ohio 1852, Preamble: We the people of the state of Ohio, grateful to Almighty God for our freedom, to secure its blessings and to promote our common.

Oklahoma 1907, Preamble: Invoking the guidance of Almighty God, in order to secure and perpetuate the blessings of liberty establish this.

Oregon 1857, Bill of Rights, and Article I. Section 2. All men shall be secure in the Natural right, to worship Almighty God according to the dictates of their consciences.

Pennsylvania 1776, Preamble: We, the people of Pennsylvania, grateful to Almighty God for the blessings of civil and religious liberty, and humbly invoking His guidance.

Rhode Island 1842, Preamble: We the People of the State of Rhode Island grateful to Almighty God for the civil and religious liberty which He hath so long permitted us to enjoy, and looking to Him for a blessing.

South Carolina 1778, Preamble: We, the people of the State of South Carolina grateful to God for our liberties, do ordain and establish this Constitution.

South Dakota 1889, Preamble: We, the people of South Dakota, grateful to Almighty God for our civil and religious liberties.

Tennessee 1796, Art. XI.III. that all men have a natural and indefeasible right to worship Almighty God according to the dictates of their conscience . . .

Texas 1845, Preamble: We the People of the Republic of Texas, acknowledging, with gratitude, the grace and beneficence of God.

Utah 1896, Preamble: Grateful to Almighty God for life and liberty, we establish this Constitution.

Vermont 1777, Preamble: Whereas all government ought to enable the individuals who compose it to enjoy their natural rights, and other blessings which the Author of Existence has bestowed on man . . .

Virginia 1776, Bill of Rights, XVI Religion, or the Duty which we owe our Creator can be directed only by Reason and that it is the mutual duty of all to practice Christian Forbearance, Love and Charity towards each other.

Washington 1889, Preamble: We the People of the State of Washington, grateful to the Supreme Ruler of the Universe for our liberties, do ordain this Constitution.

West Virginia 1872, Preamble: Since through Divine Providence we enjoy the blessings of civil, political and religious liberty, we, the people of West Virginia reaffirm our faith in and constant reliance upon God . . .

Wisconsin 1848, Preamble: We, the people of Wisconsin, grateful to Almighty God for our freedom, domestic tranquility.

Wyoming 1890, Preamble: We, the people of the State of Wyoming, grateful to God for our civil, political, and religious liberties establish this Constitution.

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

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

□ 1800

CAMPAIGN SPENDING DOOMSDAY

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, for 60 years, the Bulletin of Atomic Scientists has operated the doomsday clock which measures the threat to civilization and counts the minutes under midnight. When it was first introduced in 1947, the doomsday clock measured only the nuclear threat. But now it takes climate change into account as well.

But perhaps we need a different doomsday clock, a clock that will warn us about a different type of arms race that also threatens the future of our Republic. This arms race is not nuclear weaponry but instead uncontrolled escalation in campaign spending. Unbridled campaign spending represents the clearest, most present danger to our democratic ideals as a Republic.

Here is the latest evidence. Just this week, the Center For Responsive Politics released the latest information about campaign spending in the 2008 presidential race.

After 9 months of fundraising, says the Center, ''This Presidential money chase seems to be on track to collect an unprecedented $1 billion total. By some predictions, the eventual nominees will need to raise $500 million

apiece to compete.'' $500 million apiece to compete. This is a tremendous amount of throw-weight, to borrow a Cold War term.

''After nine months of fundraising, the candidates for President in 2008 have already raised about $420 million. This Presidential money chase seems to be on track to collect an unprecedented,'' and I repeat, ''$1 billion total''. That is probably four to five times as much as was collected just 4 years ago. On the Democratic side, HILLARY CLINTON has raised nearly $100 million. On the Republican side, Mitt Romney is about half that amount, but Rudy Giuliani is just on his tracks. BARACK OBAMA has raised about an equal amount to Senator CLINTON.

The projected Presidential spending will exceed the annual gross domestic product of 25 nations on this planet. Where is all this money coming from? If the Presidential campaign surpasses the $1 billion mark for the first time in our history, who will own the next President? Isn't that what the American people are asking? Will it be middle-class voters, who are holding on for dear life, ordinary working folks trying to pay for gasoline, put food on the table, pay insurance bills, pay utility bills, pay tuition costs, pay taxes? Will they have more influence over the next President of the United States? Or will the big-money special interests have more influence? We all know the answer to that question.

The people are telling us they are deeply troubled. All the polls show the American people feel that Washington is totally out of step with them. It's hard to imagine a Presidential candidate who is not beholden to special interests. It's hard to imagine that a candidate who relies on hedge funds, multinationals and special interests will be able to stand up for the middle class in America. The middle class is asking where is the President, where is the Congress.

What type of legacy is this leaving for our children? Will they not conclude our Republic is owned lock, stock and barrel by the rich and powerful? It sure looks that way. What will they think our Nation, once founded with the high ideals of patriotism, sacrifice and rebellion against entrenched interests? What has happened to that Republic?

The dollar amounts being tossed around in the 2000 Presidential race make it only a matter time before another giant scandal rocks our government and further undermines the confidence in our body politic and our very system of government. We must curb this arms race now before it's too late.

H. Con. Res. 6, which I have introduced, reaffirms that presence of unlimited amounts of money is corrupting our political process in a fundamental manner. I encourage my colleagues to join me in cosponsoring this legislation and for Americans to pay attention and call this important issue to the attention of their representatives and of those Presidential candidates when they whiz through town.

America needs a new declaration of independence to take our politics back from the money handlers, the bundlers, the lobbyists, the spin doctors and the telemarketers, which is what Presidential campaigns have become, telemarketing, with $1 billion being put on television.

Let's return our Republic, if we can, to the American people and, more importantly, a free Republic to our children.

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.)

REINTRODUCTION OF LEGISLATION TO SUPPORT THE SCIENTIFIC STUDY OF ANCIENT REMAINS

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

Mr. HASTINGS of Washington. Mr. Speaker, last month the Senate Committee on Indian Affairs approved a bill that included a two-word addition to existing law that effectively blocks the scientific study of ancient skeletal remains discovered on Federal land. This change, tucked into what is being called a technical corrections bill, is very far from a minor ''technical correction.'' It is a fundamental shift in existing law and would overturn a decision of the Ninth Circuit Court, which is second only to the Supreme Court. Such an extreme action should not be hidden within a mostly noncontroversial bill.

In its ruling, the Ninth Circuit Court expressly allowed the research and scientific study of ancient human remains found in the United States. The Senate bill seeks to quietly erase our Nation's ability to study our past and the planet's human history. The Tri-Cities community in my central Washington district needs no introduction to this issue. They experienced firsthand the court battles that ensued after the 9,300-year-old Kennewick Man remains were discovered on the banks of the Columbia River in 1996. These remains are among the oldest found in North America, and the quality of the remains has the potential to yield researchers greater insight into the early history of man in North America.

A full 8 years after the Kennewick Man's discovery, the Ninth Circuit Court ruled in 2004, as I have explained, that the remains were to be studied by scientists. Then, during the last Congress, the Senate first sought its two-word addition in ''technical corrections.'' I introduced a bill to challenge and publicize this action.

Members of the Senate committee decided to try again last month in this Congress. I am forced once again to respond by reintroducing my bill. My bill very simply and plainly ensures the ability for scientific study of truly ancient remains. If this matter is pushed to the Senate, then let us have a full, open and honest debate about what the Senate Indian Affairs Committee would do to scientific study in our country. The effort to quietly slide through such a dramatic change needs to stop. Those who support it should explain why and give a justification.

Mr. Speaker, I hope the introduction of my legislation will help bring balance to what is being done on the other side of the Capitol, and that scientific inquiry is not extinguished through the quiet acts of the United States.

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

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

FACTS ABOUT NICS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MCCARTHY) is recognized for 5 minutes.

Mrs. MCCARTHY of New York. Mr. Speaker, I would like to respond to some inaccurate information being spread on H.R. 2640, the NICS Improvement Amendments Act. As you know, Federal law prohibits nine groups of individuals from obtaining a firearm. One such group includes individuals who are determined to be mentally ill or who were committed to a mental institution. These determinations and commitments are made in accordance with the State law and always in accordance with due process. One purpose of H.R. 2640 is to ensure that information on these people make it into the Federal gun background check system.

According to officials at the Department of Veterans Affairs, VA officials make no determination or commitment regarding the legal mental health status of any of our veterans. However, some groups continue to believe that the VA is sending data to the NICS system on veterans who do not meet the disqualification of gun rights.

To ensure our veterans are not losing their gun rights, I included several protective provisions in H.R. 2640. These provisions ensure two things. First, the VA will only provide records on veterans determined by the same procedures that apply to nonveterans in regards to mental health. Second, they require that the removal from NICS of a veteran's records that do not meet the law's standards.

The intent and purpose of these sections is clear. NICS should only have information on veterans disqualified

because they were legally determined to be mentally ill or involuntarily committed to a mental institution. The VA will not transfer information on veterans who just were treated for posttraumatic syndrome or who have a VA disability rating based on some mental health problem that does not reach the legal threshold of mental illness within the State.

In addition, I recognize that mental illness is not necessarily a permanent impediment. Since the State made the initial determination of mental illness, that State should be able to remove that determination. H.R. 2640 contains a section to address this section.

If a State elects to receive funds authorized by H.R. 2640, it must establish a procedure to review and, if appropriate, reverse mental health status. A veteran or any other individual will be able to apply to a State court, board, commission or any other lawful authority. That authority would review the person's situation. It is up to the State to set up and determine how the procedure will operate in accordance with due process. I expect that a State would use the same process that it uses to make the initial determination or commitment.

H.R. 2640 does not change how a person is found to be disqualified from obtaining or possessing a gun. The language and procedures of the Gun Control Act of 1968 remain in effect. The bill does, however, insist that NICS receives only records on disqualified persons, whether a veteran or nonveteran.

H.R. 2640 would also allow States to establish procedures that permit a person disqualified on the basis of legal mental illness to prove to the State that he or she no longer poses a danger to society.

I believe that H.R. 2640 is fair and it is balanced. I am hoping the other body will soon approve the bill so that the States will be encouraged to provide information that improves the background check system on gun purchases. This was a bill that was worked out together here in the House. It had strong bipartisan support. If the bill had been placed when it was first passed in the year 2002, there is a possibility that Mr. Cho from Virginia Tech would not have been able to obtain a gun and commit the unfortunate murders that he did.

Mr. Speaker, it is common sense that when you work with the NRA, and certainly those that consider me a fair person on reducing gun violence in this country, that we need to get the other body to pass this bill so we can save lives.

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

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

MAKING TRADE ADJUSTMENT ASSISTANCE PROGRAMS BETTER FOR THE FUTURE

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

Mr. ENGLISH of Pennsylvania. Mr. Speaker, as the United States enters a new era of trade liberalization, where foreign competition and an evolving international market challenge the historic preeminence of America's manufacturing base, Congress must be vigilant in upholding its commitment to working people and update the safety-net programs that were created to help America's families stay afloat during challenging and troubling economic times.

As the growing global economy continues to reduce barriers to trade, domestic employers are forced to respond to new opportunities and challenges alike. The Trade Adjustment Assistance programs collectively assist in the transition involved in overcoming these challenges.

Today, Mr. Speaker, the House passed landmark legislation to extend these critical safety-net programs to American workers and employers who have suffered from foreign trade. The reauthorization of these programs represents an opportunity for significant reform and enhancement and will serve as one of the milestones that can be a foundation for strengthening U.S. trade policy.

Since 1975, over 3 million American workers have been certified for assistance under the TAA for Workers program, and more than 2 million workers have directly received assistance. In the last 10 years, the TAA for Firms program has saved more than 60,000 jobs. In my district in western Pennsylvania, more than 20 companies have gone through the program and, as a result, have been able to save and even create new jobs for local workers.

Clearly, the TAA programs as a group have an impressive record of success. And the bill that we voted on today, although not designed exactly as I would have preferred, is a strong step forward in strengthening these programs so that they are more efficient, more robust, more flexible and more user friendly.

H.R. 3920 would move to overhaul and reauthorize the TAA for Workers, Firms and Farmers programs for an additional 5 years, through 2012. Importantly, the measure would speed the delivery of benefits by establishing an automatic industry certification system for workers negatively impacted by trade.

As you know, Mr. Speaker, the TAA certification process has been a bureaucratic nightmare of red tape that has plagued the program for a long time. H.R. 3920 would replace the current sluggish and Byzantine system which requires the Department of Labor to individually approve the petitions for assistance for these workers. The establishment of an automatic industry certification alone will be a dramatic improvement on current law.

In addition, the bipartisan measure would extend eligibility to service workers, such as engineers, boost health care benefits, and improve wage insurance programs. In fact, many of these provisions rather closely mirror legislation that I introduced early this year, H.R. 910, the American Competitiveness and Adjustment Act.

As cochair of the TAA Coalition, I have long advocated for the strengthening and streamlining of these critical safety-net programs, and I am proud to have been a part of today's House action, which has been years in the making.

By expanding and clarifying benefits, cutting through mountains of red tape and channeling the right resources toward retraining, H.R. 3920 represents the most important restructuring of TAA since the program's inception. In my view, the Congress has a fundamental obligation to American employers and workers to devote the time necessary to make significant improvements to the program this year.

I look forward to working with my colleagues to advance these commonsense improvements to vastly accelerate and enhance the opportunities afforded workers displaced by trade, as well as augment the competitiveness of American employers before they are forced to furlough workers.

TAA has proven to be a lifeline for American workers displaced by trade. It has prevented thousands of American companies from surrendering to the often increased pressure of the international marketplace, despite their innate ability to compete on a level playing field and to succeed in doing so.

House passage of this bill clears the first hurdle in helping to make TAA better for the future.

Mr. Speaker, I urge the Senate to act swiftly on this critical issue. American workers, employers and indeed our economy cannot wait.

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DEMOCRATS HONOR FISCAL RESPONSIBILITY

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

Mr. HALL of New York. Mr. Speaker, I come to the floor in defense of fiscal responsibility. After 6 years of disastrous management and record deficits, the new Democratic House has restored fiscal sanity to the Federal Government. We have reinstated PAYGO, or pay as you go, and passed a budget that will balance Federal spending.

As the Speaker knows, PAYGO requires the House to live by the same rules that American families live by. Like them, if we want to spend more money on something, we know we have

to spend less money on something else. Just as families sit down and make tough choices every day, Congress now has to decide what the government's priorities should be.

And the new Democratic majority has made America's priorities the priorities of this Congress. We have twice passed the SCHIP legislation to provide working families with health care for their children.

We passed the College Cost Reduction Act, the largest investment in college financial aid since the GI bill. This bill increased Pell Grants, provided tuition assistance for future teachers, and enabled loan forgiveness for first responders, law enforcement officers, and fire fighters.

The new Democratic Congress also honored America's promise to our veterans by passing the largest budget increase in the history of the Department of Veterans Affairs.

We have passed appropriations bills that fund the most pressing needs of our country. As the bridge collapse in Minnesota showed, there are serious infrastructure needs throughout the country. In fact, there are 13 deficient bridges alone, according to a study that we were shown today in a Transportation and Infrastructure hearing, in my district, the 19th Congressional District of New York.

The House has increased funding for highway repair by $631 million over the President's request to make these important repairs.

We have provided $400 million extra to improve the quality of teachers in America's schools.

House Democrats provided $1.8 billion above the President's request to invest in renewable energies to save our environment and end our dependence on foreign oil.

Because we have funded these vital needs for America, the President has threatened to veto these bills. After borrowing more money than every other President in history combined, President Bush has decided to pretend to be fiscally responsible. Unfortunately for the President, his Halloween costume just doesn't fit. For as he protests over $22 billion for American needs, he has watched $35 billion in taxpayer money get lost or stolen in Iraq. With the money the President has lost in Iraq, we could pay for all of these important needs with billions left over. The President has spent over $2 billion in Iraq to improve oil production; yet still, production of oil in Iraq remains at below prewar levels.

Now the President threatens to veto the Homeland Security bill because House Democrats have added that same amount to train first responders and protect our ports. It seems that the President believes it is more important to waste money in Iraq than to provide critical equipment and protective gear for 250 fire departments in New York.

The President has stood by while contractors have gone $144 million over budget building the embassy in Iraq. With this $144 million, I believe we should instead provide health care for over 20,000 New York veterans.

The President has paid $2 billion to provide drinking water to the Iraqi people, although fewer Iraqis now have access to drinkable water than before the war. Yet the President threatens to veto $1.2 billion, as compared to $2 billion, for clean drinking water here in America.

Finally, the President stood quietly by as the American government shipped $8.8 billion in cash to Iraq and simply lost it. You heard me correctly, lost it. There are absolutely no records to explain where this money went. It just disappeared into the Iraqi desert.

The new Democratic majority has spent the last year restoring fiscal sanity to the government's budget. We have passed legislation to help middle-class families insure their children and pay for college. We have funded important needs across this country. I am proud of our work and I urge the President to stop playing politics and sign these important bills.

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

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

PUBLICATION OF THE RULES OF THE COMMITTEE ON SMALL BUSINESS, 110TH CONGRESS

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

Ms. VELÁZQUEZ. Mr. Speaker, in accordance with clause 2(a) of rule XI of the Rules of the House of Representatives, I respectfully submit the rules of the Committee on Small Business for printing in the CONGRESSIONAL RECORD. The Committee on Small Business adopted these rules by voice vote, a quorum being present, at our organizational meeting on January 31, 2007.

RULES AND PROCEDURES ADOPTED BY THE COMMITTEE ON SMALL BUSINESS, U.S. HOUSE OF REPRESENTATIVES, 110TH CONGRESS, 2007–2008

1. GENERAL PROVISIONS

The Rules of the House of Representatives, and in particular the committee rules enumerated in rule XI, are the rules of the Committee on Small Business to the extent applicable and by this reference are incorporated. Each subcommittee of the Committee on Small Business (hereinafter referred to as the ''committee'') is a part of the committee and is subject to the authority and direction of the committee, and to its rules to the extent applicable.

2. REFERRAL OF BILLS BY CHAIRWOMAN

Unless retained for consideration by the committee, all legislation and other matters referred to the committee shall be referred by the Chairwoman to the subcommittee of appropriate jurisdiction within 14 calendar days. Where the subject matter of the referral involves the jurisdiction of more than one subcommittee or does not fall within any previously assigned jurisdictions, the Chairwoman shall refer the matter, as she may deem advisable.

3. DATE OF MEETING

The regular meeting date of the committee shall be the second Thursday of every month when the House is in session. A regular meeting of the committee may be dispensed with if, in the judgment of the Chairwoman, there is no need for the meeting. Additional meetings may be called by the Chairwoman as she may deem necessary or at the request of a majority of the members of the committee in accordance with clause 2(c) of rule XI of the House.

At least 3 days notice of such an additional meeting shall be given unless the Chairwoman determines that there is good cause to call the meeting on less notice.

The determination of the business to be considered at each meeting shall be made by the Chairwoman subject to clause 2(c) of rule XI of the House.

A regularly scheduled meeting need not be held if there is no business to be considered or, upon at least 3 days notice, it may be set for a different date.

4. ANNOUNCEMENT OF HEARINGS

Unless the Chairwoman, with the concurrence of the Ranking Minority Member, or the committee by majority vote, determines that there is good cause to begin a hearing at an earlier date, public announcement shall be made of the date, place and subject matter of any hearing to be conducted by the committee at least 7 calendar days before the commencement of that hearing.

After announcement of a hearing, the committee shall make available as soon as practicable to all Members of the committee a tentative witness list and to the extent practicable a memorandum explaining the subject matter of the hearing (including relevant legislative reports and other necessary material). In addition, the Chairwoman shall make available as soon as practicable to the Members of the committee any official reports from departments and agencies on the subject matter as they are received.

5. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

(A) Meetings: Each meeting of the committee or its subcommittees for the transaction of business, including the markup of legislation, shall be open to the public, including to radio, television and still photography coverage, except as provided by clause 4 of rule XI of the House, except when the committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of the meeting on that day shall be closed to the public because disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade or incriminate any person or otherwise would violate any law or rule of the House; Provided, however, that no person other than members of the committee, and such congressional staff and such executive branch representatives as they may authorize, shall be present in any business meeting or markup session which has been closed to the public.

(B) Hearings: Each hearing conducted by the committee or its subcommittees shall be open to the public, including radio, television and still photography coverage, except when the committee or subcommittee, in open session and with a majority present, determines by record vote that all or part of the remainder of the hearing on that day shall be closed to the public 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; Provided, however, that the committee or subcommittee may by the same procedure vote to close one subsequent day of hearings. Notwithstanding the requirements of the preceding sentence, a majority of those present, there being in attendance the requisite number required under the rules of the committee to be present for the purpose of taking testimony, (i) may vote to close the hearing 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 violate clause 2(k)(5) of rule XI of the House; or (ii) may vote to close the hearing, as provided in clause 2(k)(5) of rule XI of the House.

All members of the committee shall be able to participate in any subcommittee hearing.

No member of the House may be excluded from non-participatory attendance at any hearing of the committee or any 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 hearing to members by the same procedures designated for closing hearings to the public. Such members who would like to participate shall notify the Ranking Minority Member and submit a request to the Chairwoman one day in advance of such hearing.

6. WITNESSES

(A) Statement of Witnesses: Each witness who is to appear before the committee or subcommittee shall file with the committee at least two business days before the day of his or her appearance 75 copies of his or her written statement of proposed testimony. Each witness shall also submit to the committee a copy of his or her final prepared statement in an electronic format at that time.

At least one copy of the statement of each witness shall be furnished directly to the Ranking Minority Member. In addition, all witnesses shall be required to submit with their testimony a curriculum vitae or other statement describing their education, employment, professional affiliations and other background information pertinent to their testimony unless waived by the Chairwoman. Each witness will complete a disclosure form detailing any contracts or business that they currently have with the federal government.

The committee will provide public access to its printed materials, including the proposed testimony of witnesses, in electronic form.

(B) Interrogation of Witnesses: Whenever any hearing is conducted by the committee or any subcommittee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the Chairwoman by a majority of those minority members, to call a witness or witnesses selected by the minority to testify with respect to that measure or matter. The minority shall be entitled to a ratio of one-third of the witnesses testifying. For the purposes of determining this ratio, it shall not include testifying government officials. The witnesses requested by the minority shall be invited to testify by the Chairwoman and must furnish at least one copy of his or her statement and any supplementary materials directly to the Chairwoman within one business day before the day of his or her appearance unless waived by the Chairwoman.

Except when the committee adopts a motion pursuant to subdivisions (B) and (C) of clause (2)(j)(2) of rule XI of the rules of the House, committee members may question witnesses only when they have been recognized by the Chairwoman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question a witness. The Chairwoman and the Ranking Member shall not be subject to the 5-minute period limitation. For all other Committee Members, the 5-minute period for questioning a witness by any one member can be extended only with the unanimous consent of all members present. The Chairwoman, followed by the Ranking Minority Member and all other members alternating between the majority and minority, shall initiate the questioning of witnesses in both the full and subcommittee hearings. The order for questioning by members of each party shall be determined by the time in which the member arrived at the hearing after the gavel has been struck, with the first arriving having priority over members of his or her party. If members arrive at the same time, then seniority shall dictate the order.

In recognizing members to question witnesses, the Chairwoman may take into consideration the ratio of majority and minority members present in such a manner as not to disadvantage the Members of either party. The Chairwoman, in consultation with the Ranking Minority Member, may decrease the 5-minute time period in order to accommodate the needs of all the Members present and the schedule of the witnesses.

7. SUBPOENAS

A subpoena may be authorized and issued by the committee in the conduct of any investigation or series of investigations or activities to require the attendance and testimony of such witness and the production of such books, records, correspondence, memoranda, papers and documents, as deemed necessary. Such a subpoena shall be authorized by a majority vote of the full committee. The requirement that the authorization of a subpoena require a majority vote may be waived by the Ranking Minority Member. The Chairwoman may issue a subpoena, in consultation with the Ranking Minority Member, when the House is out for more than three legislative days.

8. QUORUM

No measure or recommendation shall be reported unless a majority of the committee was actually present. For purposes of taking testimony or receiving evidence, there shall be one member from the majority and one member from the minority for the purposes of a quorum. Such requirement shall be waived for field hearings. For all other purposes, one-third of the members (or 11 Members) shall constitute a quorum.

9. AMENDMENTS DURING MARK-UP

Any amendment offered to any pending legislation before the committee must be made available in written form when requested by any member of the committee. If such amendment is not available in written form when requested, the Chairwoman shall allow an appropriate period for the provision thereof.

10. POSTPONEMENT OF PROCEEDINGS

The Chairwoman in consultation with the Ranking Minority Member may postpone further proceedings when a record vote is ordered on the question of approving any measure or matter or adopting an amendment. The Chairwoman may resume proceedings postponed at any time, but no later than the next meeting day. In exercising postponement authority, the Chairwoman shall take all reasonable steps necessary to notify members on the resumption of proceedings on any postponed recorded vote. When proceedings resume on a postponed question, notwithstanding any intervening order for the previous question, an underlying proposition shall remain subject to further debate or amendment to the same extent as when the question was postponed.

11. NUMBER AND JURISDICTION OF SUBCOMMITTEES

There will be five subcommittees as follows: Finance and Tax (6 Democratic Members and 5 Republican Members); Contracting and Technology (6 Democratic Members and 5 Republican Members); Regulations, Health Care, and Trade (8 Democratic Members and 7 Republican Members) Rural and Urban Entrepreneurship (7 Democratic Members and 6 Republican Members); Investigations and Oversight (4 Democratic Members and 3 Republican Members).

During the 110th Congress, the Chairwoman and Ranking Minority Member shall be ex officio members of all subcommittees, without vote, and the full committee shall have the authority to conduct oversight of all areas of the committee's jurisdiction. In addition, all members of the committee may participate in hearings of any subcommittee of the committee. In addition to conducting oversight in the area of their respective jurisdiction, each subcommittee shall have the following jurisdiction:

Subcommittee on Finance and Tax

The Small Business Administration (SBA) Lending and Investment programs: Section 7(a) loan program, 504 Certified Development Company program, Small Business Investment Company program, Disaster Loan Assistance programs, and Microloan program; access to capital and finance issues generally; and oversight over tax policy and retirement/pension matters affecting small businesses.

Subcommittee on Contracting and Technology

SBA Contracting programs including the following: Section 8(a) Business Development program, Small Disadvantaged Business SDB certification operated by SBA, Women's Procurement Program, HUBZone program, Surety Bond program, Service-disabled veteran procurement, and Section (7)(j) management and technical assistance program. SBA Technology programs: Small Business Innovation Research (SBIR) program, Small Business Technology Transfer program; oversight of government-wide procurement practices and programs affecting small businesses and oversight of technology and patent issues.

Subcommittee on Regulations, Health Care, and Trade

The Regulatory Flexibility Act, the Small Business Regulatory Enforcement Fairness Act, and the Paperwork Reduction Act; SBA's Office of Advocacy, National Ombudsman, and SBA small business size standards; oversight of regulations and regulatory issues that affect small businesses; oversight of health care coverage issues; oversight over issues affecting small health care providers; and oversight of trade issues, including SBA's Office of International Trade.

Subcommittee on Rural and Urban Entrepreneurship

SBA entrepreneurial development programs: Women's Business Centers, National Veterans Business Development Corporation, Small Business Development Centers, SCORE, Drug Free Workplace program, Office of Women's Business Ownership, and National Women's Business Council (NWBC).

New Markets Venture Capital (NMVC) program, New Markets Tax Credit program, BusinessLiNC and the Program for Re-Investment in Micro entrepreneurs.

General oversight of programs targeted toward urban and rural economic growth as well as general federal government entrepreneurial development programs; oversight of agricultural issues; and oversight of energy issues.

Subcommittee on Investigations and Oversight

Oversight of SBA Administration, Management, and Agency Practices.

Oversight of activities by the Office of the Inspector General at SBA.

12. COMMITTEE STAFF

(A) Majority Staff: The employees of the committee, except those assigned to the minority as provided below, shall be appointed and assigned, and may be removed by the Chairwoman. The Chairwoman shall fix their remuneration, and they shall be under the general supervision and direction of the Chairwoman.

(B) Minority Staff: The employees of the committee assigned to the minority shall be appointed and assigned, and their remuneration determined, as the Ranking Minority Member of the committee shall determine.

(C) Subcommittee Staff: The Chairwoman and Ranking Minority Member of the full committee shall endeavor to ensure that sufficient staff is made available to each subcommittee to carry out its responsibilities under the rules of the committee.

13. POWERS AND DUTIES OF SUBCOMMITTEES

Each subcommittee is authorized to meet, hold hearings, receive evidence, and report to the full committee on all matters referred to it. Subcommittee chairmen shall set meeting and hearing dates after approval of the Chairwoman of the full committee. Meetings and hearings of subcommittees shall not be scheduled to occur simultaneously with meetings or hearings of the full committee.

14. RECORDS

The committee shall keep a complete record of all actions, which shall include a record of the votes on any question on which a record vote is demanded. The result of each subcommittee record vote, together with a description of the matter voted upon, shall promptly be made available to the full committee. A record of such votes shall be made available for inspection by the public at reasonable times in the offices of the committee.

The committee shall keep a complete record of all committee and subcommittee activity which, in the case of any meeting or hearing transcript, shall include a substantially verbatim account of remarks actually made during the proceedings, subject only to technical, grammatical, and typographical corrections authorized by the person making the remarks involved.

The records of the committee at the National Archives and Records Administration shall be made available in accordance with rule VII of the Rules of the House. The Chairwoman of the full committee shall notify the Ranking Minority Member of the full committee of any decision, pursuant to clause 3(b)(3) or clause 4(b) of rule VII of the House, to withhold a record otherwise available, and the matter shall be presented to the committee for a determination of the written request of any member of the committee.

15. ACCESS TO CLASSIFIED OR SENSITIVE INFORMATION

Access to classified or sensitive information supplied to the committee and attendance at closed sessions of the committee or its subcommittees shall be limited to members and necessary committee staff and stenographic reporters who have appropriate security clearance when the Chairwoman determines that such access or attendance is essential to the functioning of the committee.

The procedures to be followed in granting access to those hearings, records, data, charts, and files of the committee which involve classified information or information deemed to be sensitive shall be as follows:

(A) Only Members of the House of Representatives and specifically designated committee staff of the Committee on Small Business may have access to such information.

(B) Members who desire to read materials that are in the possession of the committee should notify the clerk of the committee.

(C) The clerk will maintain an accurate access log, which identifies the circumstances surrounding access to the information, without revealing the material examined.

(D) If the material desired to be reviewed is material which the committee or subcommittee deems to be sensitive enough to require special handling, before receiving access to such information, individuals will be required to sign an access information sheet acknowledging such access and that the individual has read and understands the procedures under which access is being granted.

(E) Material provided for review under this rule shall not be removed from a specified room within the committee offices.

(F) Individuals reviewing materials under this rule shall make certain that the materials are returned to the proper custodian.

(G) No reproductions or recordings may be made of any portion of such materials.

(H) The contents of such information shall not be divulged to any person in any way, form, shape, or manner, and shall not be discussed with any person who has not received the information in an authorized manner.

(I) When not being examined in the manner described herein, such information will be kept in secure safes or locked file cabinets in the committee offices.

(J) These procedures only address access to information the committee or a subcommittee deems to be sensitive enough to require special treatment.

(K) If a member of the House of Representatives believes that certain sensitive information should not be restricted as to dissemination or use, the member may petition the committee or subcommittee to so rule. With respect to information and materials provided to the committee by the executive branch, the classification of information and materials as determined by the executive branch shall prevail unless affirmatively changed by the committee or the subcommittee involved, after consultation with the appropriate executive agencies.

(L) Other materials in the possession of the committee are to be handled in accordance with the normal practices and traditions of the committee.

16. OTHER PROCEDURES

The Chairwoman of the full committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the committee.

17. AMENDMENTS TO COMMITTEE RULES

The rules of the committee may be modified, amended or repealed by a majority of the members, at a meeting specifically called for such purpose, but only if written notice of the proposed change has been provided to each such member at least 3 days before the time of the meeting.

18. BUDGET AND TRAVEL

(A) From the amount provided to the Committee in the primary expense resolution adopted by the U.S. House of Representatives for the 110th Congress, the Chairwoman, after consultation with the Ranking Minority Member, shall designate one-third of the budget under the direction of the Ranking Minority Member for the purposes of minority staff, travel expenses of minority staff and members, and minority office expenses.

(B) The Chairwoman may authorize travel in connection with activities or subject matters under the general jurisdiction of the Committee.

(C) The Ranking Minority Member may authorize travel for any minority member or minority committee staff member in connection with activities or subject matters under the general jurisdiction of the Committee. Before such travel, there shall be submitted to the Chairwoman in writing the following at least seven calendar days prior: (a) The purpose of the travel; (b) The dates during which the travel is to occur; (c) The names of the States or countries to be visited and the length of time spent in each; and (d) The names of members and staff of the committee participating in such travel.

At the conclusion of such travel, a summary of the activity and its accomplishments shall be provided to the Chairwoman within ten calendar days.

19. COMMITTEE WEBSITE

The Chairwoman shall maintain an official Committee website for the purpose of furthering the Committee's legislative and oversight responsibilities, including communicating information about the Committee's activities to Committee members and other Members of the House. The Ranking Minority Members may maintain a similar website for the same purpose, including communicating information about the activities of the minority to Committee members and other Members of the House.

20. VICE CHAIR

Pursuant to House Rules, the Chairwoman shall designate a member of the majority party to serve as Vice Chairman of the Committee. The Vice Chairman shall preside at any meeting or hearing during the temporary absence of the Chairwoman. If the Chairwoman and Vice Chairman are not present at any meeting or hearing, the ranking member of the majority who is present shall preside at the meeting or hearing.

MILITARY SUCCESS IN IRAQ COMMEMORATION ACT OF 2007

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, today I introduced legislation, with the support of a number of my colleagues, entitled the "Military Success in Iraq Commemoration Act of 2007." This legislation is borne from my deeply held belief that we must commend our military for their exemplary performance and success in Iraq. This legislation recognizes the extraordinary performance of the Armed Forces in achieving the military objectives of the United States in Iraq, encourages the President to issue a proclamation calling upon the people of the United States to observe a national day of celebration commemorating the military success of American troops in Iraq, and provides other affirmative and tangible expressions of appreciation from a grateful Nation to all veterans of the war in Iraq.

Mr. Speaker, as lawmakers continue to debate U.S. policy in Iraq, our heroic young men and women continue to willingly sacrifice life and limb on the battlefield. Our troops in Iraq

did everything we asked them to do. We sent them overseas to fight an army; they are now caught in the midst of an insurgent civil war and continuing political upheaval. The United States will not and should not permanently prop up the Iraqi government and military. U.S. military involvement in Iraq will come to an end, and, when U.S. forces leave, the responsibility for securing their nation will fall to Iraqis themselves. However, whether or not my colleagues agree that the time has come to withdraw our American forces from Iraq, I believe that all of us in Congress should be of one accord that our troops deserve our sincere thanks and congratulations.

I very strongly believe that our Nation has a moral obligation to ensure that our veterans are treated with the respect and dignity that they deserve. One reason we are the greatest Nation in the world is because of the brave young men and women fighting for us in Iraq and Afghanistan. They deserve honor, they deserve dignity, and they deserve to know that a grateful Nation cares about them.

The legislation that I introduced today, the Military Success in Iraq Commemoration Act of 2007, pays fitting tribute to the valor, devotion, and heroism of those who fought in Iraq. First, this legislation provides an express acknowledgment by the Congress that the objectives for which the Authorization for Use of Military Force (AUMF) resolution of 2002 authorized the use of force in Iraq were achieved by the Armed Forces of the United States, which performed magnificently in battle. It specifically recounts several notable achievements of the Armed Forces in Operation Iraqi Freedom.

In addition, this legislation authorizes the President to issue a proclamation calling upon the American people to observe a national day of celebration commemorating the Armed Forces' military success in Iraq. This will help ensure that the Iraq War does not suffer the fate of other open-ended engagements like the Korean War, which is often called the "Forgotten War." The soldiers who have served valiantly in Iraq deserve to be recognized and lauded when they return home.

Mr. Speaker, this legislation also authorizes funds to be appropriated and awarded by the Secretary of Defense to State and local governments to assist in defraying the costs of conducting suitable "Success in Iraq" homecoming and commemoration activities and in creating appropriate memorials honoring those who lost their lives in the war. Many of the casualties in the Iraq War come from small towns and villages in rural or economically depressed areas. The local governments are already facing substantial fiscal pressures and need help coming up with the necessary funds.

Finally, my legislation creates a program and authorizes funds to be appropriated pursuant to which the Secretary of Veterans Affairs shall award to each veteran of Operations Iraqi Freedom and Enduring Freedom a grant of $5,000 to facilitate the transition to civilian life. We don't want veterans to end up homeless or unemployed or unable to take their kids on a vacation or start a business. This $5,000 bonus is but a small token of the affection the people of the United States have for those who risked their lives so that we may continue to live in freedom.

Mr. Speaker, outside my office there is a poster-board with the names and faces of those heroes from Houston, Texas who have lost their lives wearing the uniform of our country. To date, the U.S. Department of Defense has confirmed 3838 casualties in Iraq. It is humbling to recognize how lucky we are to live in a Nation where so many brave young men and women volunteer knowing they may be called upon to make the ultimate sacrifice so that their countrymen can enjoy the blessings of liberty. The intent of my legislation is to pay fitting tribute to these great men and women and to let them know they will not be forgotten.

Mr. Speaker, I would like to urge all of my colleagues to join me in recognizing the efforts of our brave men and women in uniform and to ensure that they can successfully transition to civilian with dignity. I urge my colleagues to cosponsor this important legislation.

ACCOMPLISHMENTS OF THE 110TH CONGRESS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Florida (Mr. KLEIN) is recognized for 60 minutes as the designee of the majority leader.

Mr. KLEIN of Florida. Mr. Speaker, it is a pleasure to be here this evening along with my colleagues from our freshman class. It is Halloween, and we are happy to be here. We know that our friends and neighbors are celebrating the holiday with their families, but we are going to talk about a little trick or treat, if you will, tonight. In addition, we are going to talk about some things that tie into a little bit of a Halloween theme and what is important in America right now. Back on the streets and back in the homes of the families that are very, very concerned about our country and the opportunities that their children have, taking care of their parents and grandparents, these are things that we recognize as all Members of Congress, Democrats and Republicans, that we have a responsibility to work with our businesses and our community leaders and our families to make sure that we make life a little bit better.

Before I get into some of the details, I am going to yield to the president of our freshman class, the gentleman from Minnesota (Mr. WALZ).

Mr. WALZ of Minnesota. Mr. Speaker, it is a pleasure to be here tonight with these great legislators to do several things. One is to reiterate the responsibilities of the first branch, article I of the Constitution, the House of Representatives and the Senate as coequal branches of our government, and also to highlight by the use of finally reinstating after 6 years of capitulation to the administration, finally illustrating to the American people what can be done when there is a coequal branch of government.

As my colleague from Florida was speaking about Halloween, our children are home celebrating Halloween. And the President was very clever today when he talked about a bill that he saw disguised as a trick. This bill he talked about is the SCHIP legislation which has 43 of our Nation's Governors supporting it, 273 Members of the House of Representatives, 68 Senators, and 81 percent of the American public.

What the President does not realize any more is there is a coequal branch of government functioning here. The President also said we have been wasting time. This perception of Congress failing is not something that is done by chance. It is done on message. Many Members know that a former Speaker of this House, Newt Gingrich, when he talked about how to take control of this House, talked about the only way to do so was to destroy the credibility of this institution and to pull Congress down.

Make no mistake, there is very much an idea here of obstructionism, but I want to be very clear: What the President talks about wasting time is things like ensuring the richest, most prosperous nation on Earth provides health care for its most vulnerable citizens, its children. The measure of this society, if it cannot be by what we are willing to do for our children, I am not sure there is another measure. And as we consider ourselves a great Nation, of which we are, the idea that this President would use the idea of fiscal conservativeness, after spending trillions and trillions into debt, and wasting, as you heard one of our previous colleagues speak about, money that disappeared, the money that has disappeared in Iraq and the waste on the contractors alone would pay for this bill. And this President asked us not to ask those questions.

Well, if he thinks that looking for fraud, waste and abuse is wasting time, I guess his definition is correct. I would say it is our constitutional authority.

Making college more affordable for middle-class Americans, making homeownership a reality based on fair lending practices, not predatory lending practices. And making sure we care for our veterans and for our soldiers. Those are the things that this Democratic Congress came here to do. We face massive opposition from a President who never even uttered the word "veto" in his first 6 years, but now utters it every single day on legislation that will improve this country. So I am proud to be part of this new class and I am proud to be part of this movement to once again reassert our authority on this.

The President's definition of wasting time is this country's business that we are doing. He simply dislikes it because, as we all here agree, the President has a very different reality of what makes a great Nation. We would argue a great Nation is one that is founded on those principles that were so critically important to the founding of article I of our Constitution which my colleague is shortly going to discuss. I yield back, and I look forward to a lively conversation here about the real progress that is being made.

Mr. KLEIN of Florida. I thank the gentleman from Minnesota. I think you

have provided great leadership for all of us in our freshman class. We are freshmen now for 9 months.

As you said, what the President categorizes as wasting time and the notion that nothing is getting done, well, there are some things that are getting done. Most importantly, there are some things that are on the brink. We will talk about a couple of those things.

Before I turn it over to the gentleman who is going to talk about the balance of power and how we are going to get to where we want to go here, because that is the American value of our democracy, I am going to list a few of the items that we have passed in this Congress with Democrats and Republicans, Democrat leadership but Republicans coming together, many of them, and the President signed them. A couple of things that are very, very important, I know many of these subjects were talked about in our campaigns.

Many people said 9/11. The 9/11 Commission Report, a thorough report that unfortunately most of it was not adopted. It has been adopted by this Congress in full and paid for.

I come from an area in Florida where we have ports, two major seaports in my district, and many airports. Many of you from all over the country have the same thing. It's now fully funded. We are making sure that the cargo is screened and all of the cargo, whether seafaring or air, is moving along.

PAYGO. We all believe in strong fiscal management. You only pay as you go. No more guessing we are going to have all this money in the future. No more taking the war and not even counting it against the national deficit. We now have a standard that was passed unanimously in this Congress. You can only spend what you have, just like you balance your books at home.

We made ethics and lobbying a reform priority. We now have gift bans. I don't need a cup of coffee from a lobbyist. I can buy my own cup of coffee. It is a standard everybody should have, and now it is in place.

We passed America COMPETES which is an innovative agenda supported by Chambers of Commerce all over the country, putting our priorities first in math and science and making sure the high-tech jobs will stay here.

We have lower interest rates for education. We all know the importance of a college education is crucial. Every one of these bills I have ticked off so far, I have listed so far, were passed by this Congress and signed by the President. We are very, very proud of that. Again, we have to talk about it.

There is a water resources bill for those with water projects. In my area, it is the Everglades. Many have polluted rivers and lakes and water issues. That bill was passed overwhelmingly by the Congress. It is on the President's desk. He has said he may veto it. If he does, that may be the first bill that gets overridden because I think there are enough votes.

And we will come back to SCHIP. It is a bipartisan supported bill written by Democrats and Republicans, and it is a wonderful bill. But before we get to SCHIP, I want to turn it over to Mr. YARMUTH of Kentucky to talk about what our democracy is all about and how this balance of power needs to come through.

□ 1830

Mr. YARMUTH. Mr. Speaker, I thank the gentleman from Florida, and it's a pleasure to be here with my distinguished colleagues from the class of 2006 talking about the issues that confront this Congress and this Nation and also some of the issues that we have in dealing with the basic functioning of government, which is one of the reasons we're here tonight.

And I'm so happy that my colleague from Minnesota mentioned the President's statement that we were wasting time and doing many of these things. I can only think when I heard him make that statement, did he really think that maybe the Founding Fathers were wasting their time when they wrote the Constitution? Because the first thing they did when they wrote the Constitution was write article I, which established the Congress of the United States and vested all legislative powers in the Congress of the United States, not some of them, not those dealing with certain subjects, but all of them in the Congress of the United States.

And the reason they did that was simple. They had escaped. They had revolted to escape a dictatorial form of government when one person was the decider. We've had one person who thinks he's the decider in the White House, and we've had members of both parties who have been in the White House and felt that they were the deciders, but that's not what the Founding Fathers envisioned.

They envisioned a representative democracy in which people that they sent to decide how the government would affect their lives would make those decisions, and that's why they put article I first. That's why they created the executive branch in article II of the Constitution, and that's why when we act, whether it's to provide health insurance for kids, whether it's to provide resources for water projects throughout the country, whether it's to provide for the Defense Department for our soldiers, our brave men and women fighting overseas, for our veterans, whether it's when we try to create a new energy policy for this country, when we try to provide a sound and high-quality education for everyone in this country, that we're doing it pursuant to the powers, and not just the powers but the responsibilities that the Founding Fathers vested in this very body.

So, when the President says we're wasting time, I would beg to differ, because if we're wasting time, then the Founding Fathers wasted time when they wrote the Constitution.

And that's why it's so important that we focus not just on what we do here but why we're doing it and the fact that we are actually realizing the direction and the decisions made by those great men 220 years ago when they formed this Constitution that determines how we operate in this country and that has served this country so well for so long.

So I look forward to the next few minutes of discussion, and once again, I'm so proud to be here talking about how we're putting article I to use for the benefit of the American people.

Mr. KLEIN of Florida. Mr. Speaker, I just want to thank the gentleman from Kentucky for really highlighting the importance of article I. I mean, it's something we all went to elementary school and middle and high school and learned about our Constitution, but it is that balance of power that really sets our country out from any other country in the world, any other democracy.

And I know the gentleman from New Hampshire has also taken a real lead in explaining and talking about the application of this and how the abuses have just been out there. So, if the gentleman from New Hampshire (Mr. HODES), would share some of your thoughts with us.

Mr. HODES. Mr. Speaker, I thank the gentleman for yielding. I'm very glad to be here on this Halloween night. I'd like to think this is a treat for us, a treat for those who are listening to us or watching on television and in the country, although lots of folks are probably out with their kids trick-or-treating tonight.

But it is an absolute honor to be here with the Members of the class of 2006, and many of us are wearing article I buttons. And the importance of those buttons is to raise the awareness in Congress and around the country about the importance of the checks and balances in our system of government.

We spoke last week about some of these issues, and I was flooded with calls not just from my constituents but from people around the country thanking us for talking about the checks and balances in our system and explaining in as clear a way as we could the importance of our system of government and why the Founding Fathers put Congress first.

Many people think that Congress is three coequal branches of government. Many people think that the President and the House of Representatives and the Senate somehow are coequal when actually the Congress, in article I of our Constitution, as the people's House, as the voice of the people, is given preeminence.

It is the Congress that makes the laws, not the President. The President doesn't make the law. He's got to follow the law that Congress makes. It is the Congress that raises the money to run government, to fill the programs, and Congress that spends the money we raise. It is Congress that has the power

to assess taxes, levy taxes. It is Congress that has the power to declare war and only Congress that has the power to declare war.

And these days, as we contemplate very difficult issues of war and peace in the Middle East, our involvement in Iraq and around the world, those powers, the war powers of Congress, versus the powers asserted by this President have come into sharp focus and occasional sharp contrast. I believe that we're going to see in the days ahead those kinds of debates in this people's House as we discuss who has the power to take this country into armed conflict, who has the power to declare war or not, are we at war. These are questions that are going to be heard.

There's a very interesting example of the clash between the assertion of Presidential power, which we've seen here, and the real power that Congress has. Right now, as many of my colleagues know, the House Judiciary Committee, as well as the Senate Judiciary Committee, is investigating. These committees are investigating whether there was something amiss in the way the United States Attorney's Office was run, whether there was political interference with United States attorneys. And Congress, the Judiciary Committee, has issued subpoenas.

Subpoenas are the method by which a body that has the power to make witnesses come issues a subpoena that says to a witness, you've got to come and testify under oath. And Congress has issued subpoenas to two members of the White House, who previously were in the White House, Karl Rove and Harriet Miers. They have refused to come to testify before Congress, and a question arises.

Congress can hold them in contempt and then ask the Justice Department to enforce that contempt, and right now we're looking at a new Attorney General possibly for this country. He was asked, this Attorney General who was nominated by the President, he was asked whether or not if Congress holds these witnesses in contempt for not answering the subpoenas, would his Justice Department refer the matter to grand jury for criminal prosecution as Federal law requires. Mr. Mukasey, the nominee for the Attorney General, suggested that his answer would be no.

Now, this is not the law. That is not the proper balance for Congress and the President. He made, in addition, a startling claim. He claimed, this is the possible Attorney General of the United States, that the President of the United States could defy the law as it's written in Congress if he believed that it was his responsibility to defend the country. That is a huge exception to the rule that Congress' laws are supreme and it is Congress that makes the law and the President is to follow them.

So this issue, what is Congress' power, what are the powers given to us by article I and how we assert them, and the clash between congressional power and Presidential power is alive today. It's going on right now, and it's of vital importance to the future of this country as we decide whether we are a Nation of laws or a Nation of men.

Mr. KLEIN of Florida. Mr. Speaker, I thank the Congressman from New Hampshire. I think you bring up something that although back home when people are thinking about these issues, they don't necessarily think about the battle between the President and Congress or the battle between the agency head and Congress.

But I think the bottom line is what you just said. It's about the rule of law. I mean, every American accepts the fact we're a Nation of laws, we live by the rule of law, and there's nobody that gets excepted from that, whether it's someone who's cleaning an office or whether it's someone who's an accountant or whether it's the President of the United States. We're equal, and it doesn't have to mean somebody's been elected or not. We're all under the same law. I think that's the bottom line of this whole consideration.

I now would like to bring into this conversation a colleague of ours from the freshman class, the gentleman from Tennessee (Mr. COHEN).

Mr. COHEN. Mr. Speaker, I appreciate the recognition. It's a great honor to be a member of this class and a Member of this Congress.

I can testify, having spent really a lifetime in local and State government, about the talent level that exists in this class and, to be honest, this Congress. There are numerous people who are committed to issues and have a wealth of talent and knowledge, and they put that to work on a daily basis to try to come up with the best solutions for the American people for a new direction in this country.

The gentlemen I'm with are four of the leaders in this class and in this Congress. I really want to commend the gentleman from Kentucky (Mr. YARMUTH) for bringing this article I issue to the fore. The op-ed written in the New York Times by Mr. Adam Cohen really brought forth all the points that Congressman YARMUTH thought about when he brought this campaign to our attention and the freshman class adopted it.

Article I does make it clear that Congress makes the laws and Congress is where the power starts. It's really supposed to be the strongest arm of government because it truly represents the people, and this House has 435 Members. Each Member in the history of this House, and there have been about 10,000 people who have served in this House over the history, have been elected. Nobody, if there's a vacancy, gets appointed. In this place, not like the United States Senate or your State legislature, there aren't any interim appointments. Every person is elected by the people at home and they're supposed to represent those people, and I think it happens here.

This House needs to assert its power, and one of the areas where it's been doing it, particularly in the Government Reform Committee which Mr. WAXMAN chairs, and looking into actions of this administration is also the Judiciary Committee, where I'm blessed to be a member with Chairman JOHN CONYERS. We've had the opportunity to look into the Justice Department, which Mr. HODES brought up. The Justice Department we found has politicized that office to the extent that it's really embarrassing I think to us as members of the committee, Members of us particularly who are attorneys and know what the attorneys and judges are supposed to be in terms of being impartial in the way they mete out justice, and I think to the judiciary at large in this country.

The politicization of that office has been greater than I think at anytime in the history of this country. The cases that have been brought we have found have been based, oftentimes, on the politics of who the defendant is.

We had the discussion last week of the case in Mississippi where one gentleman was indicted and another gentleman was not investigated. The gentlemen did the same exact thing. They each guaranteed loans, which was legal in Mississippi, to a justice, a Justice Diaz of the Supreme Court.

One gentleman made contributions that guaranteed a contribution of $65,000. Another gentleman guaranteed contributions of $80,000. The gentleman who guaranteed the $65,000 was indicted and tried in a Federal court. The gentleman that made the $80,000 contribution wasn't indicted or even investigated.

They each loaned a home to Justice Diaz when he had family problems and needed a new place to stay. They were co-owners of the home, Mr. Scruggs and Mr. Minor. The one gentleman who was the man that made the $65,000 loan and was indicted was indicted for loaning his home to the Supreme Court justice. The other gentleman wasn't.

What were the differences in the gentlemen? Well, one man was one of the top ten contributors to John Edwards for President, a Democrat. One man supported Democrats and trial lawyer issues in Mississippi. He was indicted. He was convicted the second time, and he's spending now, started serving 11 years in jail and was fined $4.5 million, 15 times what was recommended.

The other gentleman, man named Dickie Scruggs, is also a trial lawyer. He wasn't even investigated. He did the same exact thing. He donated a half a million dollars to Republican activity, a quarter of a million dollars to the Bush-Cheney reelection effort, and he, for whatever reason, may have nothing to do with it, he happens to be the brother-in-law of one of our colleagues in the Senate, TRENT LOTT.

So if you look at that case, and it's hard for anybody to look at it and think that there wasn't politically selective prosecutions, which makes

Lady Justice have to turn her eyes and maybe shed tears at what's happened in Mississippi. That's happened in Alabama where a Governor was indicted and convicted of things that ordinarily wouldn't even be investigated.

We've seen U.S. attorneys, Republicans, appointed by President Bush fired because they didn't go after Democrats or they didn't go after voting actions that people in the Republican Party wanted pursued.

So oversight's real important in the Judiciary Committee. We've seen it. And the Justice Department, I mean, that's an area where Caesar's wife should be beyond reproach. Every area of government should be beyond reproach, but justice first. Justice is supposed to be blind, and justice has not been blind, and the work of Chairman CONYERS and his staff and the members of that committee exposed much of that.

This Congress has done a lot of good. The idea that Mr. YARMUTH brought up from the President where he suggested we've been wasting time, that's ridiculous. The fact he's tried to veto bills or has vetoed bills and threatened vetoes shows we've been doing some things that are effective and good.

□ 1845

The minimum wage should have happened years ago. We finally got a minimum wage. The people at the bottom of the economic ladder needed that step up. We passed the minimum wage.

People that need a step up and to start college educations, they got Pell Grant increases, they got the cost of their loans reduced so they won't be saddled with high interest rates in the future on their loans. To help kids get a start and go to a college and to not, when they get out, have a tremendous debt to pay back is important. To be able to have Pell Grant money to give them a better start is important. These are two of the best initiatives that I think we have seen.

When I was a State Senator I worked on college scholarships, and I worked on minimum wage. I am happy to be in a Congress that have seen both of them effectuated and made a change.

We have looked at global warming, we have passed some bills that require renewable energies, and we have looked at bills that will help clean up our environment, which is definitely in jeopardy. And we have looked at the budget. We have put our future generations in debt, this administration and this Congress, by spending, spending, spending, not having a PAYGO bill.

The future of this country is in jeopardy because of the recklessness of the past Republican Congress and this President for spending too much money, sacrificing our goodwill overseas with a foreign policy that has been reckless after we had a President in Bill Clinton who had a balanced budget, a surplus, in fact, and the respect of the world for this country. We have lost the respect of the world, we have lost our budget surplus, and, finally, we have restored a modicum of fairness by giving an increase in the minimum wage, increases to kids going to college, help with health care and work on the environment.

I am very proud to be a Member of this Congress, this class and this Congress, and the differences you see are healthy and good. Rubber stamp shouldn't exist in government. There should be healthy debate. The conflict of ideas produces better ideas. That's why this Democratic Congress is so important to the future of this country.

Mr. KLEIN of Florida. We are very proud to have the gentleman from Tennessee as one of our colleagues and a great contributor to the freshman class, particularly on accountability. There have been so many members of our class that came in with the criticism of our campaigns that we had heard from so many people back home, who is the check and balance? Who is minding the store? What happened to that $8 billion of cash that disappeared on the streets of Iraq? What's with Blackwater? What's with all these kinds of things? Who is checking what's going on here?

You know, it's one thing to say you are going to run things like a business, it's another to do it. Businesses have known checks and balances, shareholders, managers, things like that. Unfortunately, it wasn't happening with this government. It's now changing.

I am very proud of you and the others. I am very proud to have another gentleman with us, the gentleman from Vermont, who has been at the forefront of the committee itself, working with Mr. WAXMAN. I know you have been very vocal on these issues, so I am going to turn it over to the gentleman, Mr. WELCH, from Vermont.

Mr. WELCH of Vermont. Thank you. I really think that everything that the gentleman from Tennessee said is right.

The question that I ask myself at times is how is it, if we have been doing a good job and accomplishing the things that you recited, so many of the American people think we are not doing much at all, or we are doing a bad job? That is a sentiment that a lot of folks have. It's in conflict, in my view, with many of the concrete things that we have done here in the House.

I will tell you what I think it is. Back in Vermont, people are asking me, when are we going to the stop the war, and when are we going to change the priorities of this country so that we are standing up for the needs of average, middle-income families and not just the wealthy, not just corporations who can get legislation passed.

They are also asking the question that Mr. YARMUTH has presented in very stark form, when are we going to reassert our own constitutional authority and be willing to stand up to the President? I am hearing from people in my State, really good people, real Democrats, real Republicans, and they are saying even when Congress is right, it seems that they are not willing to stand up to the President.

I think some of the frustration is that on the war there has been no change by the President, despite the efforts of many of us in Congress, and that's a fact.

Number two, there has been some sense that even when we are right here in Congress, we are not willing to hold our ground.

I want to address both of those.

First of all, on the war, the bottom line reality is that the President of the United States has an immense amount of power. We have article I power, but he has executive power. Despite the fact that the people of this country voted across the country from Vermont to Ohio to Pennsylvania to California and chose a new Congress, and a clear message of that election and decision by the people was that we wanted a new direction in Iraq, the President ignored that election.

He then ignored that March vote of the House of Representatives where we put a date certain on ending the war, August of 2008. Think about where we would be and what kind of optimism we would have in this country if that legislation was signed by the President instead of vetoed.

Then the President, of course, dismissed the advice of retired generals who are critical of the war, and, of course, paid no attention whatsoever to the Iraq Study Commission. I have come to the conclusion that the President is not at all going to bend, no matter what, and we have to be willing to fight that battle with him day in and day out.

Second, on the priorities, there is good news. I mean, this House, oftentimes with a bipartisan vote, has shifted the priorities to middle-class needs. The minimum wage was raised. The student loan cost of interest was cut in half. Prescription drugs are going to be negotiated, price negotiations so we can lower the cost, make it more accessible to seniors, less costly to taxpayers.

All of this we did by returning to pay-as-you-go principles, so we are not going to bankrupt future generations. The largest increase in the veterans budget in the history of the country.

All of that is important. It reflects that we are actually walking the walk of trying to change priorities. It's not getting out into the public either because it can't get through the Senate or it gets vetoed by the President.

We are going to be talking, I guess, a little bit about children's health care. But that's an example where it was the right thing we did to insure 10 million kids in this country. The President vetoed it. We made some minor adjustments, not nickel and diming about which kids we take off of health care, passed it again, and we will be sending it back to the President. I think that's the type of thing that we need to do.

But I also do believe that any time this Congress has an opportunity to hold its ground and essentially embrace and accept the responsibility that the Constitution gives this Congress under article I, we have to do it, whether it's on war funding, when we believe we are right, we have to be able to weather the storm; whether it's on budgets that are going to get vetoed when those budgets reflect the bipartisan consensus in this body that they meet the needs of average people, and that they comply with our obligation to pay our bill as we go.

There is good news, but we also have to acknowledge that there is much more fighting to be done, and that it's time for us in the right circumstances to hold our ground, to be willing to weather the storm of criticism that will come from the White House machine and to stand up for that change and direction that I believe the people of this country voted for in November.

I thank the gentleman from Florida.

Mr. KLEIN of Florida. And thank you, Mr. WELCH. It really was very well explained and easy to follow. I think what people in this country respect is the fight. The fight is good, but at the end of the days, results. The President has made it very difficult, unfortunately. He has been unwilling to come out of his corner. A lot of alternatives have been offered on the war, a lot of alternatives have been offered on SCHIP which we are going to talk about in a minute, a lot of alternatives.

As we have talked about already, there have been a lot of accomplishments, student loans, minimum wage, people competing in business. We have had a lot of good things so far which the President has signed, which is good. But there is more to do. We need to get him sort of out of the view that it's him versus the Congress, or his ideology versus the rest of the country. People want consensus. They want solutions.

I would like to turn to Mr. Solution himself here, because Mr. ELLISON from Minnesota has really totally been bringing a lot of consensus on a whole lot of issues, from our foreign policy issues to our domestic issues. I want to bring you into this conversation and please add some value to it.

Mr. ELLISON. Thank you, Congressman KLEIN. Whether it be from Colorado to Vermont, from Kentucky to Tennessee, to Minnesota, to Florida, no matter where we come from, this freshman class that we belong to is here to stay and here to say, very clearly, that we are reclaiming the coequal branch of this legislative body in our constitutional framework. We don't have another branch of government which we take orders from. We don't have to prove patriotism by servile behavior towards the executive branch. We stand up with doing our constitutional responsibility, and our only boss is the American people, not the President, not the courts.

Article I states, all legislative power herein granted shall be vested in the Congress of the United States. Part of that power is, of course, passing laws and, of course, all of you, my fine colleagues, have made it clear that we have been productive, we have been busy, we have been putting up the fight, and we have been passing legislation that this President should sign and, in fact, in many cases has signed. But we have also done something else which I am proud of, and that is provided oversight. We have subpoenaed people and made them come to these hearings. We have asked people the questions, the tough questions, and made them give forth the right answer.

Why, on the Judiciary Committee just this week, we had Mr. TANNER, who is the section chief of the voting section. He offered the opinion that, actually I wish I had it written down, because I don't want to get it wrong, but he offered the opinion that voter ID bills may affect seniors because they live longer, but when it comes to minority seniors they die, so it doesn't really matter for them. Chairman CONYERS issued that request for him to come to that committee, and we asked him questions about voting rights. We asked him about how that department was being run. We asked him the tough questions that Americans expect us to ask.

But that's not all. Chairman NADLER of the committee has had constitutional hearings, and we have had people come in and talk about important issues, and, of course, Representative COHEN has been there as well, on Guantanamo, on habeas corpus. These are the kinds of things that Americans are concerned about because America will never be a place where we give up on our constitutional protections and our civil liberties.

I just want to say that I am so proud to be a Member of this freshman class that is not only passing legislation, not only standing up for its right as a coequal branch of government, but is calling people on the carpet and asking the tough questions as it is our job to do. The American people expect us to say, What's going on? Tell us what's going on. What have you done? Why have you done it?

That is our job, and we will continue to do it, because we don't work for anybody but for the American people. Not the judiciary. Not the executive branch. We are enshrined in article I of the Constitution, coequal branch of government, that branch of government in which all vested power to legislate is inside of us.

Mr. KLEIN, I want to thank you for conducting yet another excellent freshman hour.

Mr. KLEIN of Florida. Thank you, Mr. ELLISON.

Just to follow up on the point, a number of our colleagues have been talking about the idea of oversight and accountability. Well, the simple answer is not just for the exercise of bringing people in by subpoena or asking them to come in and talk, it's to learn from your mistakes.

It's a very simple principle. What do we teach our children? Learn from your mistakes. What do you do in business? You want to learn from your mistakes. That, of course, is what the whole purpose of this is. If we see something has gone wrong, accountability, some bad business practices that the government is involved with or paid for something they shouldn't have paid for, let's not let it happen again. That's the simple bottom line.

I would like to shift, because many of our Members are interested—thank you, Mr. HODES, otherwise known as Vanna White—Mr. HODES is holding up a little poster here which talks about the children's SCHIP plan. The SCHIP plan, as I think everyone is now familiar with, or many people are in our country, or certainly Members of Congress are, it's about making sure that children, low-income children can participate in a health care plan that's private health insurance.

It makes the parents pay on a sliding scale what they can afford. It leverages tax dollars. It does everything it's supposed to do. Our business community back home in my area loves it. It's very popular because instead of kids going to the emergency room, they are going where they should go, and that is to get doctor and preventative health care.

We have had a bipartisan plan that has now been passed twice out of this chamber, and the President vetoed it one time, and I guess he is going to veto it again, but bipartisan, Democrats and Republicans coming together, not everybody, but all the Democrats, I think, just about all, and many Republicans.

In the Senate, I think the Republicans are the ones who helped draft this. It really brings it together. A quick little fun thing on Halloween here, it talks about the trick-or-treat and the Republican plan, we are just sort of joking around a little bit, but we are calling it the trick, and the bipartisan plan the treat.

The Republican plan, which we are calling the trick, covers 8.3 million children. The treat, the plan that most of us are pushing, Democrats and Republicans, covers 10 million. This is an additional number of children that we believe are part of this plan that we want to get covered.

The targeting of low-income kids, in the Republican plan it targets fewer lowest-income children. In the Democratic plan, the one we just passed, it enrolls the lowest-income kids first, a goal that we all want to make sure that we are covering.

□ 1900

And of course there is a cigarette tax in both plans, the exact same cigarette tax to pay for it. The question though is, if the same amount of money is being raised, why are we covering 10

million in the Democratic bipartisan plan and we're only covering 8.3 million in the Republican plan? Where's the money going? So we obviously want to have the lowest taxes possible, but we want to cover the most number of children. And I know that that's something that I know the president of our class has been very interested in.

I know that Mr. PERLMUTTER from Colorado has joined us in our freshman class, has taken a lead in, and I know your experiences in Colorado. Maybe you can share some of your thoughts on the SCHIP plan with our group here in the Chamber today.

Mr. PERLMUTTER. And I thank my friend from Florida. This is a place where the Democrats and Republicans have come together to look after kids from hardworking families across this country. This is not something that is just given out, and it doesn't make any fiscal sense or anything else. This is for people coming from hardworking families where the kids don't have insurance. And instead of going to the doctors, which is the most fiscally prudent way for a kid to be treated, they have to go to the emergency room, and at the emergency room, then, we, the taxpayers, pick up the bill. It's the most expensive form of medical care we could have. So it makes utter sense that we provide insurance to 10 million kids across this country from hardworking families so that they don't have to go to the emergency room, so they can go to their doctor, get proper treatment. But that just doesn't seem to be acceptable to the President of the United States.

Here we are wanting to bring change. We promised our constituents that we were going to change the way this Nation's being run, and one of those places is providing insurance in a prudent fashion for kids from hardworking families. But we have a President who wants the status quo, does not want to assist the hardworking people in the middle, and those are the folks that make up my district. It's not a rich district. It's not poor. Financially, it's right down the middle and people are struggling. And one of the first things to go when you're putting food on the table is insurance. And we want to make sure that 10 million kids have that insurance in this country. We passed it once; we passed it twice. This President says he's going to veto it again. He's about the status quo. He calls himself prudent fiscally, a fiscal conservative. Just the opposite, ladies and gentlemen, just the opposite.

So my friends, you know, we came here to change the direction of this Nation. We passed a stem cell bill which would have provided relief to millions of people across this country or hope for them who have debilitating diseases. We passed the SCHIP bill for 10 million kids.

But this President, he doesn't want change. He wants things as usual. He wants Washington to run as usual. We are going to keep knocking on his door until we change the direction of this Nation. And I'm happy to be part of a class that is going to fight every day to do the right thing for our constituents and for the future of this Nation.

And with that, I'll yield back to my friends from Florida or Minnesota or New Hampshire, although he's not my friend, because I lost a bet on the Boston Red Sox game. But I would yield back to my friends.

Mr. KLEIN of Florida. The Colorado Rockies were playing. That's right.

We're going to turn it back to the gentleman from Minnesota to get some thoughts on SCHIP and other things.

Mr. WALZ of Minnesota. I appreciate it, and I appreciate the passion from my friend from Colorado. And he's exactly right. When we came to this Congress with a debt that was skyrocketed, no accountability, a President who said he was the decider and a Congress here that thought that their job was to just be an echo chamber for this President, much has changed. Unfortunately, the President doesn't realize that yet, and that's why we get a lot of gridlock that's happened.

But the gentleman brought up some very interesting points considering SCHIP and this idea of funding. I think that one of the issues that many of us agree on here is fiscal responsibility is an absolute priority because, unlike the previous Congresses, we understand that there will be a day of reckoning, and it will come for our children and our grandchildren. And it's putting this country in a position where I read an article here out of the Hong Kong Standard talking about where places around the world, when you would travel, and many of us have, where taxi drivers and store owners would take the U.S. dollars, they're no longer taking that. They're saying no because our currency is now seen as something that's not as stable, a nation that's in debt, a nation that's seen as a rogue nation to people. Those are the types of things that this administration did mainly because of what Mr. YARMUTH and the other members of this class have said, we did not exercise our right.

And as far as SCHIP goes, when we create a budget, and we want to balance this budget and we will, we understand it's far more than a fiscal document. It's also a reflection of this Nation's values and morals. And this issue of trying to cover our children, and I've heard my Republican colleagues say this is an attempt to expand coverage, to make it socialized or nationalized medicine.

Well, my colleagues have no real plan how to deal with this. They continue to pull this up. The bottom line here is the richest, most prosperous, greatest Nation this Earth has ever seen is leaving children uncovered. But it gets worse than that.

A Harvard study that recently came out shows one in eight of our veterans are not covered by health care insurance, those who have served this Nation most honorably. This President has decided when he had fiscally irresponsible budgets, we couldn't balance the VA budget, the President simply made a great decision here. He cut off 400,000 veterans, sliced them off the bottom by saying they don't qualify. These could be combat veterans in my district making $27,801. They are not injured in combat and they make too much money. Well, all of us know that's not going to buy you health insurance.

So this issue of SCHIP, this idea of trying to cover our veterans, what this President fails to realize is the values of the vast majority of people in this Nation that sent this class to Congress are not the ones he shares. And the talk of, we can't afford this, while telling our Judiciary Committee and our Oversight Committee that we can't ask questions about no-bid contracts and billions of dollars lost is unacceptable. And it is unacceptable because it stops in this Chamber. We are here to represent the districts of the people that sent us here, and we have an obligation by article I to fulfill those.

So this issue of SCHIP is not the smoke and mirrors you're hearing. It's, bottom line, covering our children. The issue of VA funding is simply, bottom line, X number of veterans, X number of costs this Nation should provide it. If you choose not to do that, then have the courage to tell the American people you are more interested in a tax cut to the top 1 percent than caring for children and veterans. But we won't hear that because this is about elections. This is about a vision of America that extends to next November.

This group gathered here tonight is about a vision of America that extends to the next generation, one that once again puts us in our rightful place.

So I couldn't be more proud. The gentleman from Florida has been a longtime advocate of caring for those in our society, the least fortunate, as well as making a fair society and growing opportunities. It's what we're all about. The old used-up cliches don't resonate with the public anymore. The old used-up cliches are nothing more than a way to try and hold on to a political ideology that is dead in this country, and it's time has passed. And we are once again here to reassert that.

So with that, I yield back to my esteemed colleague from Florida and look forward to the rest of our conversation.

Mr. KLEIN of Florida. Thank you very much, the gentleman from Minnesota.

We have a very, very special guest today, an honorary member of our freshman class, a senior Member of the Congress, the gentlewoman from Texas, Ms. SHEILA JACKSON-LEE, who'd like to join us and add something to our conversation.

Ms. JACKSON-LEE of Texas. Well, my first act is to give my greatest appreciation for this caring and vested freshman class, front liners, front

thinkers, front runners running toward the next generation. I cannot thank you enough for joining this Congress with one mission, and that is that we are, servants of America.

And I've asked today, officially, on the record, to get that article I pin, and to reemphasize the language that my good friend has before him by just holding up the Constitution and reinforcing the language that all powers herein granted shall be vested in the Congress of the United States, which shall consist of the Senate and the House.

And I just want to speak, somewhat weaving in to this idea of veterans and the war in Iraq and why we have the ability even to address that question of the Iraq war, because as my colleagues know, there was never a constitutional declaration of war. It was statutory. That was in the fall of 2002 when, by public law, we gave the President simply an opportunity to negotiate and then ultimately, if necessary, to use force.

So I raise the question, because Congress has, in some sense, been stifled by others not thinking the way the American people have asked us to think and act, and that is to focus resources on veterans, on the domestic agenda, and to be able to say that we have, in essence, finished our job in Iraq.

And so I wanted to offer to my good friends H.R. 4020 that the chairman of the Veterans Committee has joined me in offering, or introducing, which calls itself the Military Success Act. And of course all eyebrows will be raised. Sounds conflicted. But I thought and thought about this, and I continue to hear the terminology, cut-and-run, not willing to support the troops. So we went to the Pentagon, and in this legislation we chronicle all of the successes of the United States Military, in particular in Iraq. We do it in Iraq and not Afghanistan because that's an ongoing mission. We know that there's more work to be done there. And we come to a conclusion, and I'll just briefly read this: That the public law that we voted on in 2002 authorized by the President to use military force against Iraq, it goes on to list the indicia or the points of that bill. And it concludes by saying, according to that public law, we believe that, in fact, all of this has been achieved. A simple statement. It doesn't follow up by saying, come home. Of course, that's what I would suggest once you read a statement that says all that you were asked to do, the United States Military, you've achieved it. And we finish this up by calling on America to have days of proclamation and ribbons, and as these soldiers come home, unlike Vietnam, that we actually have days of recognition for those soldiers. And ultimately it finishes, because I heard my distinguished colleague speak of veterans, by giving these returning soldiers a $5,000 stipend.

Now, this does not leave out Afghanistan soldiers. This really appeals or deals with the whole idea of the fact that their mission is completed. We do it in a way to call it a military success. And we know that there are many other things that need to be done. But what that does is it gives Congress the power to make its own statement that the initiative that we voted for, statutory, the public law in 2002 that gave powers is now being brought to an end, that we, as a Congress, are saying that we applaud our military, and those resources that are now being used for the war, $120 billion, can be used for SCHIP, can be used to fix Medicare.

I sat down with some seniors who wanted us to fix the prescription part D. They said, Can you help us? Can you get back in there and help us to understand it?

And then of course, what it does, it honors our soldiers. It dashes this whole cut-and-run, this whole accusation of being nonpatriotic.

And so I thank my colleagues for letting me present H.R. 4020 in conjunction with the recognition of article I. This bill was introduced today. I encourage my colleagues to sign on. We think that it has a very important statement as to the authority of the Congress and the responsibilities of the Congress to control a statute that it gave powers, and seemingly the President is not willing to acknowledge that the task and the job is well done on behalf of the United States Military in Iraq. We can do better, and I think the American people are waiting for the article I-ers to take charge so that we can get back on our agenda of serving the American public.

I thank you for giving me the opportunity to join an important debate. I look forward to the article I pin.

And finally, I hope that the American public will get it, knowing that the Congress has to have the authority to go forward on their behalf.

This legislation, the "Military Success in Iraq Commemoration Act of 2007," recognizes the extraordinary performance of the Armed Forces in achieving the military objectives of the United States in Iraq, encourages the President to issue a proclamation calling upon the people of the United States to observe a national day of celebration commemorating the military success of American troops in Iraq, and provides other affirmative and tangible expressions of appreciation from a grateful nation to all veterans of the war in Iraq.

As I have stated many times, "when our heroic young men and women willingly sacrifice life or limb on the battlefield, the nation has a moral obligation to ensure that they are treated with respect and dignity. One reason we are the greatest nation in the world is because of the brave young men and women fighting for us in Iraq and Afghanistan. They deserve honor, they deserve dignity, and they deserve to know that a grateful nation cares about them."

My legislation, the Military Success in Iraq Commemoration Act of 2007, H.R. 4020 pays fitting tribute to the valor, devotion, and heroism of those who fought in Iraq in the following ways:

A. Provides an express acknowledgment by the Congress that the objectives for which the AUMF resolution of 2002 authorized the use of force in Iraq were achieved by the Armed Forces of the United States, which performed magnificently in battle;

B. Recounts several notable achievements of the Armed Forces in Operation Iraqi Freedom;

C. Authorizes the President to issue a proclamation calling upon the American people to observe a national day of celebration commemorating the Armed Forces' military success in Iraq. This will help ensure that the Iraq War does not suffer the fate of other open-ended engagements like the Korean War, which is often called the "Forgotten War";

D. Authorizes funds to be appropriated and awarded by the Secretary of Defense to state and local governments to assist in defraying the costs of conducting suitable "Success in Iraq" homecoming and commemoration activities and in creating appropriate memorials honoring those who lost their lives in the war. Many of the casualties in the Iraq War come from small towns and villages in rural or economically depressed areas. The local governments are already facing substantial fiscal pressures and need help coming up with the necessary; and

E. Creates a program and authorizes funds to be appropriated pursuant to which the Secretary of Veterans Affairs shall award to each veteran of the Operations Iraqi Freedom and Enduring Freedom a grant of $5,000 to facilitate the transition to civilian life. We don't want veterans to end up homeless or unemployed or unable to take their kids on a vacation or start a business. This $5,000 bonus is but a small token of the affection the people of the United States have for those who risked their lives so that we may continue to live in freedom.

Outside my office there is a poster board with the names and faces of those heroes from Houston, Texas who have lost their lives wearing the uniform of our country. It is humbling to recognize how lucky we are to live in a nation where so many brave young men and women volunteer knowing they may be called upon to make the ultimate sacrifice so that their countrymen can enjoy the blessings of liberty. The intent of my legislation is to pay fitting tribute to these great men and women and to let them know they will not be forgotten. I request and welcome your support in making this message heard.

Mr. KLEIN of Florida. And I thank the gentlewoman from Texas. This is exactly what this Congress is doing. It's coming up with a lot of new ideas that need to be put out there, debated, discussed, and hopefully passed. And I'd like to turn it back over to Mr. Article I himself, the gentleman from Kentucky.

Mr. YARMUTH. I thank the gentleman, and I have a button for the distinguished gentlewoman from Texas, and I look forward to giving it to her. I thank her for endorsing the type of emphasis that we're trying to place on this very important discussion of the balance of powers in this country.

You know, there's another element to this whole question, a balance of powers, and it really is reflected in the debate over the SCHIP program. Because while we debate, on the one hand, the actual legislative powers and

how we might enforce those through the courts and so forth, there's another competition going on, and it's the competition that goes on in the media and in the public dialogue. And here is where there is an inherent advantage for the executive branch. And I think part of the reason why, over the last few decades, the executive branch has been able to accumulate far more power than the Constitution and the Founding Fathers envisioned was because it is much easier for the President of the United States to use the bully pulpit, as we call it, and dominate time and the news media and the television, and it's much harder for the Congress to do that since we are a body comprising 535 men and women.

□ 1915

But what's interesting about it is that when you use the bully pulpit and when the President uses the bully pulpit, you hope that he uses it in an honest way, and, in fact, in this debate what we have seen is a performance that has actually been very insulting to the concept of a pulpit, I think, because what this President has done is used his bully pulpit, his media access, to deceive the American people about what we are doing and what he intends to do.

For instance, he is constantly saying that the proposal, the legislation that we passed would enable families making $83,000 a year to access the SCHIP program. No families making $83,000 were authorized to make it or, in fact, ever found access to the SCHIP program. The only way that a family making more than double the poverty level can get entrance and access to the SCHIP program is if the executive branch gives them a waiver. In fact, the State of New York asked the President for a waiver. He declined it. So for him to then say under this program people making $83,000 would be eligible for SCHIP is not only not true, it is deceitfully dishonest. And, actually, if you talk about what he has done, he has the power, which we delegated to him, he has the power through the executive branch to waive some of these requirements.

And that goes back to the interesting thing about this entire debate. In 2004 during the Presidential campaign, President Bush actually campaigned for an expansion of the SCHIP program. He loved the SCHIP program. He applauded it when he was Governor of Texas and he wanted to expand it. Now what does he do? Because it's not a Congress dominated by his party, he wants to change his perspective. He's changed his perspective as to whether the States should have waiving powers, which he wanted the States to have when the Congress was run by the Republicans. Now that Democrats control the Congress, he wants there to be Federal standards which he controls.

So this is not just a battle of power internally in the Congress and through the courts but also one that we have to fight in the media. We are at a disadvantage, but I hope it is discussions like this and people who are not afraid to be outspoken and point out dishonesty and deceit when they see it that will help us even the playing field in terms of convincing the American people that not only does this Congress have the power, by virtue of article I, to make all legislative decisions, but it also has the moral foundation and the integrity to do what's right for the American people.

Mr. KLEIN of Florida. I thank the gentleman.

We are down to our last couple of minutes, so I'm going to turn it over to Mr. HODES and then Mr. COHEN if you want to wrap it up.

Mr. HODES. Thank you, Mr. KLEIN.

What we are talking about here really is the moral compass of our Nation. We have a stark choice before us. There is a huge difference between what the President values and what the American people value.

To the President and his allies, $190 billion for a failed war is a necessity, but $35 billion to give our kids access to doctors is some kind of extravagance. And that really talks about the values that are at play here. Are we going to value and speak up for the people of this country, or are we going to let the President assert values that we in this country don't agree with because we value kids?

Now, there is a President, a former President who really said it best because we here in Congress are no longer simply going to enable this President to take power which should not be his. We are going to reassert, in these conversations and in our conduct, the power that rightfully belongs to the Congress and to the people. Because as Abraham Lincoln said, when we were engaged in the midst of a great civil war that was to determine the fate of this country, he talked about government of the people, by the people, and for the people.

That's why we are here tonight. That is why we were sent to Congress. To reassert that this government is a government of the people, by the people, for the people. And while we are on this watch, it shall not perish, and we are going to stand up to this President and we are going to have some checks and balances in the United States of America.

Mr. COHEN. Thank you, Mr. KLEIN.

I think when I first addressed this group and, Mr. Speaker, I mentioned how proud I was to be a Member of this body and this class, and I think the people who have listened to this discussion realize why I'm so proud to be a member of the class. The talent is here, as some people have State legislative experience, some come straight from the private sector, and each brings a different perspective but a concern for the people and a concern for change and direction of this country and for the middle class.

Mr. HODES talked about Ms. Miers and Mr. Rove not obeying the subpoena that was issued for them to come to testify before the Congress. This Congress is looking at having a contempt charge brought against them, which I think we should have done earlier. We need to have a contempt charge brought, and we need to have them be punished for their contempt of this Congress, which, in essence, is a contempt of the American people and a contempt of the Constitution and of all things good that the American people stand for.

I am proud to be a member of this class, to support SCHIP, for health care for children and for all Americans.

Mr. KLEIN of Florida. I thank my colleagues for being here this evening.

We do this once a week. We're looking forward to seeing you all next week and having this continuation of discussion. And, of course, we look forward to working with everyone in this country to make sure that we resolve and come to some successful conclusions on some of these issues that are so important to our country.

THE OFFICIAL TRUTH SQUAD

The SPEAKER pro tempore (Mr. ELLISON). Under the Speaker's announced policy of January 18, 2007, the gentleman from Georgia (Mr. PRICE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PRICE of Georgia. Mr. Speaker, it is indeed a great privilege and honor to come back to the floor of the House and present some alternative views, some views that I hope are more grounded in truth as this is another edition of the Official Truth Squad. We've heard some interesting comments over the last hour and over the last few days and weeks and months. So, Mr. Speaker, it is indeed an honor to be designated by our leadership to come and share some words with this Chamber.

I would first comment about the relative tone and the divisiveness of the language that we have just heard. It just astounds me that people think who come to Washington that our constituents want us to be divisive. When I go home, what I hear from folks is that they want us to work together, that they want us to work together positively for solutions. So the class warfare debate that we have just experienced over the last hour is truly remarkable, as one Member talked about the spirit of Lincoln, a proud Republican, and what he brought to our Nation. A government of the people, by the people, and for the people is what he championed. He also championed an end to class warfare. So I would encourage my colleagues to read further in history and to expand their vision of what it is that their constituents truly want. And as I mentioned, Mr. Speaker, my constituents, our constituents, I think, want us to work together.

This is the Official Truth Squad. This is a group of folks who come to the floor and have an opportunity to address our colleagues and hopefully

bring, over the course of an hour, a little brighter perspective, a little more upbeat perspective, a little more optimistic perspective, and, hopefully, a little more truthful perspective because so often what happens on the floor of this House during the course of our debates is that the truth tends to be swept away. And, again, that frustrates our constituents. It frustrates my constituents, I know, when they ask why we can't stick to the facts, stick to reason as we try to solve the significant challenges that confront us as a Nation.

I have a number of favorite quotes. One of them is this one from the late United States Senator from New York, Daniel Patrick Moynihan. He said, famously, ''Everyone is entitled to their own opinion, but they are not entitled to their own facts.'' Another one of my favorite quotes is ''Imitation is the most sincere form of flattery.'' So I was so pleased when I heard either the Speaker or the majority leader say just this in a debate recently, and I would ask my colleagues on both sides of the aisle to heed this. Everyone's entitled to their own opinion, and you ought to state so, and that's appropriate. But you're not entitled to your own facts.

So tonight, Mr. Speaker, we're going to share a few facts with our colleagues, and I am going to start by bringing a couple of quotes from a true American institution. Certainly the ''Tonight Show'' is an American institution. The current host of the ''Tonight Show,'' Jay Leno, oftentimes crystallizes in just a very humorous way what the American people are thinking. So I thought it would be appropriate to share with our colleagues, Mr. Speaker, what Jay Leno has said over the past couple of days. This is about the state of Congress right now. As you know, Mr. Speaker, the numbers for Congress aren't great right now. I would again encourage my colleagues to try to use the sense of what the American people are saying as a positive impetus to have us move forward together in a commonsense, positive, upbeat, principled way that reflects the will of our Nation.

But Jay Leno said the other day, ''And our new Democratic Congress, remember, they promised longer workweeks. Well, now they announced they're going to a 4-day workweek. I guess they realized they don't need a full 5 days to do nothing.'' It was alluding to the fact that really not much has gotten done in these first 10 months of this 110th Congress under the new leadership. And it hasn't for a variety of reasons. We will talk a little bit about that tonight. But I would suggest most clearly, Mr. Speaker, that it hasn't because this new majority seems to be unwilling to work together on behalf of the American people. SCHIP is a classic example, and our colleagues mentioned that, and we will talk a little bit about that tonight.

Jay Leno also said just 2 days ago, ''The Democrats in Congress have announced they will now be taking Fridays off. Apparently they were getting worried their approval rating was getting too high.'' As I mentioned, Mr. Speaker, the approval rating for Congress is not great.

And that troubles me. It should trouble all of us. It troubles me because I think that what the American people are seeing when they look here to Washington, when they look to the Speaker and to the leaders that are running this Congress, they see an institution and they see a group of leaders who are not willing to work with each other. And for those of us who are less than senior Members, certainly in the minority party at this time, it is very distressing because we came here, all of us came here, to solve problems. I oftentimes encourage my colleagues to go back and read their first piece of campaign literature in their first campaign because I think, Mr. Speaker, that speaks to the goals and the vision and the dreams that we all had when we came to Congress.

But as you know, Mr. Speaker, a recent Zogby poll found that for the second month in a row, this Democrat-led Congress's approval rating was 11 percent. Now, why is that? Well, I think if you look at the bills that have been passed through this Congress and signed into law, there have been 107 of them so far, Mr. Speaker, 107 bills. Now, you might think that that would be a grand accomplishment, and I suspect that it is on one measure. This new majority touted the fact that they have had over a thousand votes. What they didn't say is that the vast majority of those were procedural votes. They were determining how the bills ought to move forward, oftentimes in significantly noninclusive ways. But 107 bills have gone through the House and the Senate and signed into law by the President. So I thought it would be helpful to kind of break down those 107 bills. What were they? Were they wonderful solutions, as have been proposed, to children's health insurance? Were they wonderful solutions to health system reform? As a physician myself, I believe so strongly that we need significant, positive, patient-centered health system reform.

□ 1930

Was that one of the bills that was signed? Was controlling the crisis that we have in the area of illegal immigration, was that one of the bills? Well, regretfully, Mr. Speaker, as you well know, it wasn't.

In fact, of 107 bills signed into law, 47 of those bills named post offices, courthouses or roads. Now, those are important things to do, and certainly when we name and honor individuals with the naming of a post office or a courthouse or a road, that's an important thing to do, but it ought not be something that the majority party brings forward and champions as a grand accomplishment. I haven't looked at what the votes were on those 47 bills, but I suspect that, by and large, they were unanimous. I will just take a wild guess, Mr. Speaker; I suspect that the vast majority of those were unanimous.

So, 47 of the 107 bills signed into law were naming post offices or roads or courthouses. Forty-four of the bills were noncontroversial measures that were either sponsored by Republicans or they passed overwhelmingly. And those are the kind of routine things that you've just got to do to keep the trains running on time here.

So, 47 naming post offices or other buildings; 44 were noncontroversial. Fourteen of the remaining 16 were to extend preexisting laws or laws that had been passed during the Republican-led Congress. Now, that means that there were only two left out of that whole 107 bills that were signed into law. In fact, I would suggest, Mr. Speaker, that these were the two most important bills. One of them was the extension of the Foreign Intelligence Surveillance Act, and we'll talk a little bit about that. But to keep our Nation safe, one of them was that bill. That passed. But as I note, Mr. Speaker, that passed over the objection of the leadership of the Democrat Party.

So, one of the most important things we've done, in fact, probably one of the two most important things that we've done, passed over the objection of the leadership of the Democrat Party, the majority party. The other bill that passed was the supplemental to provide appropriate resources for our troops.

So, Mr. Speaker, not an opinion, but a fact is that we have, yes, we have, indeed, had over 1,000 votes. And the majority party is very proud of that, and maybe they should be. But when you look at the number of bills that have passed Congress, 107, 47 of those were to name post offices or buildings, 44 were noncontroversial, 14 were to continue previous law, and two, the two most important, the Foreign Intelligence Surveillance Act and the appropriate resources for our troops in Iraq and Afghanistan, passed over the objection and the vote of the majority leadership, the majority of the majority leadership.

So, Mr. Speaker, I'm not sure that's something to champion, but I will tell you that I believe that's part of the reason that the American people say, ''What's going on? What's going on up there in Washington? Can you all please work together on behalf of the American people?'' which is what I believe and my colleagues, I know, believe we ought to do. In fact, many of those things would be very, very humorous if they weren't so doggone serious. We are in challenging times, Mr. Speaker, and I would suggest and encourage my colleagues, frankly, on both sides of the aisle to put positive issues out there and work together as we move forward.

One of the bills that we heard from our good friends on was the SCHIP bill, the State Children's Health Insurance

Program, and I will be joined by a number of colleagues tonight to talk about that. I would just like to say that as a physician who practiced in the northern side of Atlanta for over 20 years taking care of kids, I take personal offense to anybody who says that those of us who have not supported so far the State Children's Health Insurance reauthorization bill don't care about kids. Clearly, we care about kids. I spent my entire professional life caring for kids.

The other side says, well, 81 percent of the American people want SCHIP. Well, they do when you ask them the question, do you support the State Children's Health Insurance Program? And I ask that of my folks when I go home and have meetings and talk to Rotary Clubs and other kinds of groups. And I have asked them over the past 2 or 3 months, do you support renewing the State Children's Health Insurance Program? And sure enough, the vast majority of the people raise their hand, and as well they should. And I ask them to keep their hand up. And then I said, now, would you support that bill if you knew that poor kids were not going to be taken care of before kids in wealthier families? Put your hand down if you wouldn't support that bill if you knew that kids from higher income families would get insurance paid for by the taxpayer before lower income kids. And about one-third or so of the hands come down; still a number of hands up there. And I say that because that's what is in the bill that the majority party passed and that was vetoed by the President, and then we sustained that veto.

And then I say, well, now, would you support that State Children's Health Insurance Program if you knew that it also covered childless adults? And a number of other hands come down. And I don't make that up. I ask that question because that's in the bill. Now we've got about one-half or maybe one-third of the folks still raising their hand saying they would support the bill. I say, now, would you support the bill if you knew that 2 million kids would be forced from private personal health insurance onto public, State-run, government-run bureaucratic medicine? And you get almost all of them coming down at that point. They've kind of gotten the clue that in the fine print in the bill, it's not what they've been led to believe.

And then I ask them, well, would you support the bill if you knew that in order to make the funding work, you would have to have 22 million new smokers in America because it's paid for by tobacco tax, would you support it now?

Well, Mr. Speaker, I don't have to tell you the results of this unscientific poll. But the fact of the matter is, not an opinion, but the fact of the matter is when I get through outlining what was in the bill, there isn't a hand left. There isn't a hand still raised that said they would support that bill.

And so, Mr. Speaker, that's why the numbers have come down. In the length of time that the majority party has been demagoguing this issue and trumpeting out their radio ads and their television ads across this Nation, what has happened is that the American people have recognized that the story that they were being told by this majority party, the Democrat leadership, was, in fact, not the truth. It may have been an opinion; it certainly wasn't the truth.

And so now what we see is 55, 60, 60-plus percent of the American people saying yes, we want to help poor kids, absolutely, that's appropriate. And we'll talk tonight about how we should do that, a positive message, an upbeat message, an optimistic message, a message that says, yes, Americans are generous, we know that, and they believe that, in fact, there is a better way, there is a better way to do business here in Washington, hopefully to raise those numbers. There is also a better way to fashion a bill that would provide health insurance for low-income kids.

So I am pleased to be joined tonight by a couple of colleagues, my good friend from New Jersey, who certainly knows fiscal issues as well as the issue of State Children's Health Insurance Program. I look forward to your comments this evening and yield to my good friend Mr. GARRETT.

Mr. GARRETT of New Jersey. I thank the gentleman from Georgia for heading this program tonight to bring about the Truth Squad, which when I'm not here on the floor, I'm in my office turning on C–SPAN to make sure that I can find out the latest of what the actual facts are, because we can't always be assured that we hear them correctly from the other side of the aisle.

Actually, that's where I want to begin on this one. I was tuning in as I was doing some work at my desk for the last 10 or so minutes of the other side of the aisle, and I was a little bit amused by their closing comment. They seem to be chagrinned by the fact that they don't have the opportunity to get the message out, if you were listening to them, that the President seems to be able to have the bully pulpit and be able to get the record straight out to the American public, and they don't. I had to scratch my head at that time because I thought, well, gee, doesn't the Democrat Party now control both this House, isn't NANCY PELOSI now the Speaker of this House? Isn't HARRY REID now the lead in the Senate as well? I thought the Democrat Party was the majority party.

And I know that every time that I leave this Chamber during the day there are microphones out there waiting for speakers to speak. And they're not coming to me to ask for comments; they are looking to the Democrat majority. So I think they were a little bit flippant or disingenuous, if you will, when they're saying that they're not able to get the message out. I think what they are really saying, though, is the message that is getting out is not a truthful message, and some of the points that you've already made.

And if I may just touch upon a point or two here. If you go back in time a little bit to when President Clinton was in office, he laid out the groundwork of what his vision was for health care in this country. He told us where he would like to take this country and maybe where his wife would also like to take this country when it comes to health care. And he said that he wanted government-run healthcare. He wanted universal, socialized, Washington-controlled health care. And how would you get there, he said? Well, he laid it out in plans; he put it out in a book, almost, for us. He said, you get there not overnight, although I guess HILLARY CLINTON tried to do that, but he said, no, you get there incrementally. First what you do is you insure the indigent children, then you will insure all the children, and eventually you will insure all the adults as well. And what does that bring you to? Well, that's socialized, government-run and controlled health care. Now, that may be something that he would like and maybe a small segment of this country would like, but when I go back to my constituents, they remind me that Washington government may not be the most effective and efficient entity in the entire world of delivering services. They remind me of what happened back when Katrina occurred and we had FEMA step in to try to deliver services, and it was abysmal. They remind me continuously, regardless of which party is in control, earmarks, and we can talk about that ad nauseum later on probably, about the waste, fraud and abuse when it comes to spending their hard-earned dollars on earmarks.

They remind me, also, some of them who were trying to leave this country during this past summer for a summertime vacation and they found out that they needed to get a visa in order to do so. And they could not get their visa even though they put in their request one, week, two weeks, three weeks, eight weeks, nine weeks in advance. A very basic function of the U.S. government to supply visas to people, and they couldn't get them on time. They remind me that the government couldn't even do one of their basic functions.

They remind me, finally, when it comes to what is one of the most seminal issues when it comes to any government, and that is to protect your borders, and they say, you know, Congress, here under this majority, can't even get that issue resolved and done. We can't get the money to the border security guards. We can't get that fence built along there. If the government can't do those functions, they ask me, why in the world do we want to turn over our control, life-and-death

situations, really, and you're a physician, you know this, to an entity that can't run the functions that they're doing right now.

They tell me, the American public, my constituents tell me that they want to make sure that health care remains in their hands, that health care remains as a private matter in the sense of a doctor-patient relationship. Maybe you want to comment on that at some point, where they're in control of the delivery, of the questions and the asking and what have you and the needs for the services, and the doctor is in control of the services that are being provided. They don't want big brother, if you will, stepping in and saying, well, no, we're going to exclude you, include you and what have you. So they are very hesitant to go down the direction that Bill Clinton wanted this country to go down and now this Democrat majority wants us to go down as well.

And if the gentleman would continue to yield.

Mr. PRICE of Georgia. I would be happy to yield.

Mr. GARRETT of New Jersey. The very definition of a middle-class entitlement, which, as Bill Clinton would say, is the next step to go to socialized, government-run health care, well, the very definition of a middle-class entitlement can be seen in what the Democrats are trying to do right now with SCHIP. Look at the numbers. And I know I don't have a chart behind me like you do to have these numbers right next to me, but let's think of these basic numbers.

Right now the SCHIP program, as originally intended, was to fund indigent care for children, at what level? Two hundred percent of poverty. Ballpark figure, that's around $42,000 for a family of four; that's what is defined as poverty for that family. The medium income, that's the middle income in this country, for a family of four all across this country on average is about $48,000. So, $48,000 is the middle range. Any time you're going to start spending more, providing a government-run program for somebody making more than the middle by definition now becomes a middle-class entitlement, and that leads us to government-controlled health care.

So, when they're talking about providing services above 200, 250, 300, well, 300 percent of poverty, that would put you at approximately $62,000 for a family of four. In New Jersey, we're at 350 percent of poverty; that puts you around $72,000 for a family of four. So, by definition, they're telling us that they are not trying to create a program for the indigent and the poor in this country. By the very definition of the words they're using and the facts that are out there, they are trying to create an entitlement program for the middle class. And then of course the question is, who is going to pay for that?

Mr. PRICE of Georgia. Would the gentleman yield?

Mr. GARRETT of New Jersey. I will yield.

Mr. PRICE of Georgia. I appreciate your perspective on it and your comments because they ring true. Those are the absolute facts, Mr. Speaker.

And to put a few more numbers on that, at 300 percent of the poverty level, which is about $62,000, $63,000 of income for a family of four, 79 percent of those families already have health insurance. The children have health insurance. And this bill that the President vetoed and the veto that we sustained, this bill would have made it so that those children would have been essentially forced, because the employers would say, well, why should I insure these kids if the government is going to do it, those kids would be forced into government-run medicine.

□ 1945

At 300 percent of the poverty level, at 62, $63,000, folks who live in families with incomes at that level or below comprise 53 percent of the kids in this Nation, 53 percent of the kids, which means that over half of the kids would be eligible for State-run, government-run bureaucratic health care. And as a physician, I know that whenever the government got involved in the decisions I was trying to make on behalf of my patients, it was even more difficult.

I am pleased to welcome my good friend and physician colleague from Georgia, who understands those issues as well with governmental intervention into the practice of medicine. I appreciate you joining us tonight and look forward to your comments.

Mr. GINGREY. I thank my colleague from Georgia, Dr. PRICE. Certainly the posters that he has got up there, Mr. Speaker, that I call our colleagues' attention to, I might just touch on that issue in regard to the tax on tobacco product, particularly cigarettes, that increase in that tax, just 61 cents a pack, I believe that would bring the Federal tax on cigarettes to a dollar a pack. But the Heritage Foundation and others have looked at that and said, well, how many new smokers would you need to have to raise the $70 billion that would actually not completely pay for this massive expansion of SCHIP that Democrats have recommended? And the number, Mr. Speaker, is 22 million, as Dr. PRICE's poster so vividly points out.

Mr. PRICE of Georgia. I try to bring posters, because when I look at something like this it really drives the issue home and brings it much more clear to me. But this is what you have mentioned that is so true, and the bill that was passed, as you said, would require 22 million new smokers, new smokers, that means from 2010 to 2017, 22 new Americans would have to start smoking. This is the number of folks that would have to begin smoking just in order to pay for the program.

Mr. GINGREY. That's right. And that means the ones that are already addicted, the poor grandparents and parents of these children that can't break that habit, and some of them, Mr. Speaker, and I know my colleagues appreciate this, are the poor members of society, for some reason that have developed that smoking habit. And we are going to put the burden on them, plus 22 million. And some of those 22 million, this is the irony of this pay-for that the Democrats have come up with, some of these very children, maybe some of the 5,000 that I delivered who are old enough to go buy cigarettes, they will have to be addicted to help pay for this massive expansion so that their younger brothers and sisters can get health insurance funded by the Federal Government. It makes absolutely no sense. I really appreciate Dr. PRICE bringing this leadership hour to us as part of the Truth Squad, the ongoing Truth Squad, because the truth just needs to be told. And I think the important thing for our colleagues to understand and anybody within shouting distance to know that Republican Members of this body, and our President, George W. Bush, is all for children and providing health care for children. If he wasn't, would we be spending $35 billion a year on the Medicaid program for children's health insurance? Absolutely we would not. The President even has recommended that because it is estimated that 750,000 children, we cover 6,750,000 in that income bracket that my colleague from New Jersey was talking about, the 100 to 200 percent of the Federal poverty level have fallen through the cracks, so the President said, look, let's increase this spending $25 billion over 5 years, let's increase it 20 percent and a little bit more money in there for inflation. But, instead, the Democrats come with a bill to increase the spending by 140 percent to $60 billion. In fact, in their original bill, the CHAMP Act, they wanted to increase it to $90 billion.

As Dr. PRICE points out, in this new bill the $60 billion version, that is covering 53 percent of all children in this country either on the Medicaid or the SCHIP program. Well, there is something wrong with that. There is no question about it. We don't need to be paying the health insurance for children from families who are making $62,000 a year. In some instances in the State of New York, it may be up to $83,000 a year. That's what we're railing against, this unnecessary, massive expansion. We Republicans and the President want to renew this program. It's a good program. We need to increase the funding. The President possibly would be willing to even go a little more than a 20 percent increase. But the only justification the Democrat majority can have for this type of increase is just what was already alluded to, a march toward a single-payer national health insurance program. In some of their rhetoric in regard to Medicare and wanting to start covering people at age 55, you see where the gap gets smaller and smaller, and then all of a sudden you're covering from cradle to grave

everybody in this country run by the government.

So I thank the gentleman from Georgia, my colleague from Georgia, my colleague from Cobb County, for leading this time. I know there are a number of other speakers that are here that want to weigh in on this. We just need to keep fighting. We will get this bill right. But we need to do it in a bipartisan way.

Mr. PRICE of Georgia. Thank you so much. I appreciate my physician colleague pointing out again the number of new smokers needed to pay for it. And the last time I remember, it has been a while since I have been in medical practice, but we used to try to get folks to quit smoking, that is what we tried to get them to do, instead of beginning to smoke to pay for it.

This chart really describes it very, very well, talking about the bait and switch of the funding. In addition to having a tobacco tax pay for it, which is really counterproductive because we want folks to quit smoking, not start smoking, but in addition to that, what happens at 5 years, this is 2008 program, 9, 10, 11, 12, 13, when you get out to this fifth year, what happens in the majority party's bill, the Democrats' bill? The funding drops way off, which means that they weren't sincere about this in the very beginning.

It really isn't about cost. It is about control, about who is going to control health care. Is it going to be patients, individuals, families and doctors? Or is it going to be government? It really is about something as basic as that, a basic question.

I'm so pleased to be joined tonight by my good friend from Florida who has a district that is probably as sensitive to health care as any in this Nation, GINNY BROWN-WAITE. I appreciate so much your joining us and I look forward to your comments.

Ms. GINNY BROWN-WAITE of Florida. I thank the gentleman for yielding.

I was sitting in my office calling back some constituents. It was 7:30, and first of all, they were surprised to hear from any Member of Congress calling them back at 7:30, but I am sure everyone here in this chamber does exactly that. And I saw you coming here to inform the American public about the truth. It is long overdue.

Many of us in this Chamber had ads run against us. It was during that 2-week period after the President vetoed the bill. Now, we could have been working on a compromise, but no, there had to be time out there for the operatives to run nasty ads against people who voted to not override the President.

The President was right. This bill, the spending in the bill is out of control. It is out of control, and the American public started to catch on. Because when they started to attack me, you know, I have been called the mother of this bill. I wasn't in Congress at the time. But it was because I was willing to take that very difficult vote to allow for third-party reimbursement to come from the tobacco companies for health care costs that the money came from.

So, Dr. PRICE, your chart there on where the money is coming from is very, very interesting because, as you say, in 2013, if I am reading the chart correctly, that is where the funding drops off. Twenty-two million smokers would be needed to fund this program, which is far, far different from that originally envisioned and that which both sides of the aisle, the Democrats and the Republicans, worked on in 1997 to come up with the SCHIP bill.

So what exactly do we have in the bill that many of us voted against, many of us who fought long and hard for State children's health programs? What is in it? Well, it continues to allow adults to receive health care under various State SCHIP programs. It is interesting that it also will allow more illegals to participate in health care through the SCHIP program. That is not what our constituents wanted.

The Senate received a loud-and-clear message when America finally did wake up to what they were doing on the issue of illegal aliens. They virtually inundated the switchboard of the Senate. People do not want more magnets to attract illegal aliens here. But most of the State health plans, part of the pool of money that the various States got after going after the third-party reimbursement, part of that money was also for education and trying to get people to stop smoking. So isn't it interesting that with this hand we fund programs that are trying to get people to stop smoking, and yet we have a bill here that says, oh, come on, we need some more smokers to pay for this program.

One of the fallacies that people have finally in America begun to realize is that the program, the SCHIP program, was a great program. It should be renewed. It shouldn't be expanded. It should be renewed. And we need to reach out to those that the program hasn't already touched, those low-income children out there. It shouldn't have been, and it was never intended originally to be for adults. But, quite honestly, States gamed the system. And why did they do it? Because they could get 15 percent more funding from the Federal Government than they could with the traditional Medicaid program that adults go into.

In Florida alone, we have right now 62,000 children who should be eligible for KidCare, which is the State program, but they have not signed up for it. So before we go expanding it to middle-income kids, let's capture those children in Florida, and every other State, Dr. PRICE, every other State that has children who still are not covered by the program, the very, very good program. Many of us actually are on the bill that would be a simple extension. And many of us are cosponsors of that which allows the program to continue for 18 months.

I hope that our colleagues on the other side of the aisle realize what America really wants. They want this great program to continue for low-income children.

Dr. PRICE, I appreciate your being here tonight as part of the Truth Squad to bring this information to the American public.

Mr. PRICE of Georgia. Thank you so much, Congresswoman GINNY BROWN-WAITE. We appreciate your perspective. What a moving story about the beginning of the program where you were on the front lines at the beginning. I know of nobody in this Congress who has greater compassion for kids than you. I sincerely appreciate your coming down, sharing that story and trying to bring some truth. That is what we are trying to do, trying to bring some truth and some light to this issue.

When folks at home ask me what the alternative is, because there are alternatives, there are wonderful, positive alternatives, a number of other Members of Congress have introduced bills. I, along with over 60 folks in Congress, have introduced a bill that we call More Children More Choices Act. It would be a bill that would in fact reauthorize SCHIP, State Children's Health Insurance Program, up to 200 percent of the poverty level, that is $42,000 for a family of four. For those kids between $42,000 and $62,000 and their family, we would provide premium assistance, premium support, make it so that all kids can, indeed, get health insurance. But most of those kids would then be able to have health insurance provided in a personal and private way so that their doctors and their families were making health care decisions, not the government.

Ms. GINNY BROWN-WAITE of Florida. Many of the State programs actually had that language in there so that we wouldn't crowd out those who already had insurance and encourage them to get into the program. Many of the States had subsidies, premium subsidies so that people could stay in a family program so you didn't have to have one doctor for perhaps your 12-year-old and another doctor for the mom and dad so that there could be a family, a true family doctor there because they all were covered by the same insurance company. The problem was over time many of the States stopped promoting that. So it was just easier to enroll the children in the State children's health program, and in Florida we call it KidCare. That is an excellent point you bring up.

Mr. PRICE of Georgia. Thank you so much. I appreciate your joining us and providing that perspective.

Again, Mr. Speaker, there are all sorts of alternatives. The alternative we put forward was H.R. 3888. I encourage my colleagues to look at it.

□ 2000

It's a bill that would reauthorize SCHIP. It would make certain that we had premium assistance or support for

those folks in low to middle-income families so that they could make certain that they could own their own personal private health insurance and be able to make health care decisions, with families and doctors being the ones in charge, not State or Federal Government. It would allow States greater flexibility to provide health insurance for their uninsured population.

So I would encourage my colleagues to look at that. I think it is the kind of bill that folks across this Nation I think are clamoring for because it allows us to work together in a positive way and do something that benefits our constituents, does something that benefits the vast majority of Americans. One of the things that benefits the vast majority of Americans is not to have the Federal Government reach into their pockets and destroy their economic well-being.

This Federal Government, under the new leadership here, has shown a penchant for increasing the desire to have this government involved in all sorts of personal decisions, and probably the most personal of decisions is what to do with one's money. When you think about it, tax issues, taxes are, in actuality, the government, either the local or the State or the Federal Government coming into peoples' lives and saying, We know how to spend your money better than you do. We know so well how to spend your money better than you do that we are going to take it from you, because you certainly don't know exactly what you ought to be doing with your money.

This new majority, this new majority has passed all sorts of tax bills, almost at every turn. As we have talked about, Mr. Speaker, they have passed a $392.5 billion tax increase in their budget; $50 billion in new energy taxes; $35 billion in new tobacco taxes; $7.5 billion in new taxes on a farm bill. Hold on to your wallet when you go to the gas tank; a 55 cents per gallon increase in gas taxes for infrastructure and global warming studies; new taxes on homeowners by ending mortgage deductions.

Mr. Speaker, that isn't all, because Congressman RANGEL, chairman of the Ways and Means, you have got to honor him for his candor, because what he says is he is coming with the mother of all tax hikes, the mother of all tax increases, and, Mr. Speaker, this is a $3.5 trillion proposal for a tax increase over the next 10 years, the largest individual tax increase in American history, $3.5 trillion. Mr. Speaker, that is with a T. Only in Washington can we talk in those kind of numbers.

It is very concerting to me, I know to my constituents, and it's concerting to my colleagues who have joined me tonight to talk about the issue of taxes, the issue of money and Washington's appetite for money.

I am pleased to welcome my good friend, the gentleman from California (Mr. MCCARTHY).

Mr. MCCARTHY of California. Mr. Speaker, I thank my good friend for yielding.

Mr. Speaker, it's quite ironic, Mr. Speaker, that Mr. PRICE has this hour tonight. Tonight is Halloween. I will tell you, when I look back at home in California, my kids will be getting ready to go out with their friends. Some of them are going to dress up, some will try to scare one another. But tonight, Mr. Speaker, this is the scariest moment of all. This largest tax increase in American history is going to scare every American there is.

I will tell you that as you study history and study economics, you will see in the last cycle when taxes were lower, we set a record April 15. April 15 was the day people were paying their taxes. With taxes lower, more revenue came into American coffers, government, than ever before in the history of collecting taxes. Why? Because you let people keep more of what they earn. They went out and took their money and invested into capital, invested into businesses. What does this plan do that the Democrats put forward in the Democrat's largest tax increase? It taxes small business, small business at the highest rate. How do you create a big business? I guess you can't under the Democratic plan.

For those that are sitting at home, Mr. Speaker, I want them to think for one moment when you think about taxes, because you always don't realize how much taxes you pay in a day. On an average day, you wake up, you take a shower; do you realize you pay a tax on that water? You go maybe over to Starbucks to get a cup of coffee, you pay a tax on that coffee. You stop off and fill your car up with gas; you pay a gasoline tax. You go into work, and for the first three hours you're just paying taxes before you make any money. You go home, turn on the TV, hopefully you will see yourself on television, you pay cable tax if you're watching this show tonight.

You go out tomorrow, a lot of us are going to fly home, and when we buy that airplane ticket, we're going to pay an airport tax. You rent a car, you pay a rental tax. Somebody stays in a hotel, they pay an occupancy tax. God forbid, you save enough money and unfortunately die, you're going to pay an inheritance tax. On the Democratic plan, it goes to 55 percent.

They think they know what to do with your money. I believe the Republicans know what to do with your money. You keep your money and invest it and build America. The plan has shown that if government continues to grow, they are going to raise your taxes further.

Mr. Speaker, this plan and the appropriations that have gone through on this floor have continued to make government grow, continued to increase. How do they want to feed it? By taking more of what you have.

I want to yield to my good friend from Georgia and thank him for the time that he has put into this, because it is a Truth Squad. It's rather ironic that tonight you're talking about how the Democrats have scared the rest of America. It is scary because they plan to move forward with their plan.

Mr. PRICE of Georgia. I thank my friend from California for outlining what truly is a frightening issue for many Americans. Many folks, especially in the middle class, there has been talk about a war on the middle class. I tell you, Mr. Speaker, the war on the middle class is being fully engaged by this majority party when you think about a $3.5 trillion tax increase.

Congressman RANGEL, again, you have to honor him and commend him for his candor and his honesty. He says, well, look, 90 million Americans will have a tax decrease with his proposal. What that means, Mr. Speaker, is that over 200 million Americans will have their taxes increased. That is where this $3.5 trillion comes from. It comes from anybody who is paying taxes currently to any degree will have their taxes increased. My friend from California outlined so many different ways that we are taxed and taxed and taxed by folks who think they know how to spend our money better. I believe I know that most folks on our side of the aisle believe that individuals know how to spend that money better. I recognize my good friend from Ohio, who believes that sincerely and has great knowledge and acumen about the issue of taxes and financial issues, my good friend, Mr. JORDAN from Ohio.

Mr. JORDAN of Ohio. Mr. Speaker, I thank the gentleman for putting this hour together. I thank my friend from California too for his focus on keeping taxes low, which the gentleman from Georgia made the right point: Whose money is it? Does it belong to the families of this country or does it belong to government?

The families of America know that they can spend their money better than government. They can invest it in their kids, their grandkids, their goals, their dreams, their ideas, their principles. They can do it better than government can. American families know that taxes are too high. Think about the typical family, the typical family in this country. When you factor in local, State and Federal taxes, all those taxes that my friend from California went through that you pay in just a typical day, when you factor that in, the typical American family spends 50 percent of their income, 50 percent of what they make, what they bring in, that they can invest in their kids, their grandkids, their future, they have to give to some level of government.

As the gentleman from Georgia pointed out, when you think about what has happened this year in this Congress, we had a budget bill passed that doesn't extend the 2001 and 2003 tax cuts that have helped our economy, that have helped families have a growing economy, the tax increases in there that result in huge, huge taxes in the future on American families. We had an energy bill that raises taxes on domestic energy companies. We had a

farm bill, a farm bill, one of the most bipartisan pieces of legislation that typically moves through the Congress, had a tax increase in it.

We had the SCHIP bill that the gentleman spoke on earlier in this hour which had a tax increase in it. And just this day on the floor we had a Trade Adjustment Assistance Act that also had a tax increase in it. And, as my good friend from Georgia pointed out, we now have what is appropriately called the mother of all tax increases coming, which will raise $3.5 trillion, $3.5 trillion on American families across this country.

It begs the question: Why do politicians want to raise taxes? It is real simple. Because politicians like to spend money. You always hear ''tax-and-spend politicians.'' It is actually the opposite. It is spend-and-tax. Spending always drives the equation.

That is why this summer my good friend and I and several other members of the Republican Party offered a series of amendments which said let's hold the line on spending. Let's do what families have had to do from time to time, what business owners, as my friend from California pointed out, have to do from time to time, what individual taxpayers have to do from time to time. Let's just spend what we spent last year.

After all, if you ask the typical American, do you think government spends a lot of money? Do you think maybe there is just a little bit of waste in the Federal Government? And everyone knows instinctively, of course there is. So we said, let's just spend what we spent last year.

You know what? Right now we are operating in a continuing resolution, which is a fancy way of saying we are living on last year's budget, even though the Congress was supposed to have budgets in place by September 30 and start a new budget. So we are living on last year's spending.

When we argued these amendments this fall, that is what we wanted to do, the other side told us, oh, the sky is going to fall, the world is going to end, all kinds of things are going to happen. You know what? For 4 weeks now we have been doing just what we offered in those amendments, living on last year's budget. And, guess what? Kids are going to school. The government is still running. Nothing terrible has really happened. If we can do it for 4 weeks, we can do it for 4 months, we can do it for the next year.

Here is why this is critical. If we don't begin to get a handle on spending, it hurts us in our economic position around the world. And right now Americans understand this as well. The market is so competitive, we have got to keep taxes low, keep spending under control so our economy can grow.

There was a point in the past, there was a point in the past coming out of World War II where America was uniquely situated; it didn't really matter if elected officials, if politicians did some dumb things. But now it matters. Now the competition is so stiff we have got to get public policy right.

Just think of some of the numbers we have to deal with today. We have 300 million people in this country. We are competing with the Chinese, who have 1.3 billion. It is critical that we do things right so we can remain the economic superpower, because here is the way the world works.

The economic superpower is also the military and diplomatic superpower. Right now there is one country that fits that definition, that is the United States of America, and that is a good thing. The American people recognize instinctively that the world is safer and better when America leads. If in the future that is some other country, that is a scary thought. We want America to lead.

I kind of joke when I say I think the only folks who don't get that concept is the editorial page of the New York Times. But Americans understand that the world is better. I love what Cal Thomas said. He was talking one time about how sometimes the national media doesn't see things the same way that a typical American family does. He had a line when he was talking about the New York Times. He said, ''I get up every morning and I read my Bible and the New York Times so I can see what each side is up to.'' There is certainly some truth in that statement.

It is important for America to lead. The way America can lead economically is to keep taxes low, keep spending under control, and, if we do that, American families, American business owners can create those jobs and make our economy grow so that we have a prosperous future, just like America has always had, and that will allow America to continue to be the greatest country in the world.

So I thank the gentleman for his time tonight and for his focus. He is so right on target. And my good friend from California as well.

Mr. PRICE of Georgia. Thanks so very much for joining us tonight, and for really shedding the truth on issues as they relate to taxes. You are so right about the spending.

That is what we have seen in this Congress, Mr. Speaker, is bill after bill after bill with more spending and more spending and more spending. And it will drive, it has to drive, increased taxes. So what we have seen is a proposal from not just a back-bencher, not just somebody who took some wild hair and decided that they were going to propose a tax increase; the proposal comes from the chairman of the Ways and Means Committee, the tax writing committee. And in fact the Speaker in her first comments about it said she supported it.

Mr. Speaker, on Halloween, you talk about something that is frightening. As my friend from California said, that is frightening, to have the Speaker and the chairman of the Ways and Means Committee supporting a $3.5 trillion tax increase, the largest tax increase in the history of our Nation, on individuals.

My good friend from California, I am pleased to yield.

Mr. McCARTHY of California. My good friend from Georgia, I appreciate your yielding. You are talking about spending and you are talking about how much it has increased.

The American public would say before you raise my taxes, have you cut the waste, the fraud and abuse? You just talked about the chairman of Ways and Means. You look at the tax increase he proposed and you wonder why does he want to increase taxes so much?

I look back and I remember on this floor when we were bringing up the Health and Human Services bill. In there, you thought you were going to talk about the needs and the other things.

There was an amendment in there. I remember the debate on the Republican side, Mr. Speaker, because in there, there was put in what is called an earmark for $2 million for a library which the college didn't ask for to be named after the chairman of Ways and Means. It was interesting to me, I call it ''the monument to me,'' because that is exactly what it is. The American people need their taxes raised so somebody on this floor can name a library after themselves for $2 million? And if you look at the brochure, it says it will be just as nice as President Clinton or President Carter, which I will tell the American people, Mr. Speaker, were paid for by private funds.

When it was challenged on the side of the Republicans to say maybe that earmark is not right because it didn't go through the process, the chairman of Ways and Means came to the floor and defended it and said he deserved it. When someone said, Well, maybe you shouldn't name it after yourself, he talked about it and said, No, I have been able to raise $25 million from corporations to go through it. Then when he sat there and talked and they said, Well, maybe we should name one after ourselves, he said, No, no, you don't deserve it.

But that is the hypocrisy that goes on on this floor of the Congress. When you continue to spend, when you continue to move earmarks and you think you can just tax the American public more and more, they are going to wake up. That is why I appreciate the time you have taken, the Truth Squad, to let people know what goes on on this floor.

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Mr. Speaker, I apologize to the American people for scaring them too much, but this is the truth, and I yield back to my good friend from Georgia.

Mr. PRICE of Georgia. I thank the gentleman for those comments, but the truth sometimes is painful. And it is important as leaders in this Nation

that we bring the truth to our constituents. And the truth of the tax bill that has been proposed is on this chart right here, Mr. Speaker. This describes the time from 2007 through 2050 and the amount of money that would be raised, the amount of taxes that would be raised by the Democrats is this orange line right here, this top line, and it continues to go up and up and up.

And the reason it is important to appreciate it going up is this ordinate here, the Y axis, has the percent of GDP. That is the entire economy of the United States. And once you get above about 18, 19, 20 at the outside, the economy tends to plummet. You can't run the economy in an aggressive and appropriate way to provide jobs for people when you get above 20 percent.

And the majority's party plan, the plan proposed by the chairman of the Ways and Means Committee and supported by the Speaker of the House in her first comments, what that plan does is move us upwards of 24 percent of gross domestic product. Mr. Speaker, that is a frightening prospect. That is not the kind of leadership, I believe, that the American people bargained for last November. The kind of leadership that they wanted, that they desired, were individuals to work together for solutions.

And the yellow line down here, Mr. Speaker, is a solution. It is called the Taxpayer Choice Act. It is uplifting, optimistic, enthusiastic support of the American people. It says, Mr. and Mrs. American, you know what to do with your money more than we do; and we believe that so strongly, we are not going to increase taxes on you. If you work harder, you will be able to keep more money. You will be able to appreciate the fruits of your labor. Isn't that what America is all about, Mr. Speaker? To be able to reward hard work and reward success and reward entrepreneurship and reward vision? That is what America is all about. That is what my constituents tell me when I go home.

So my constituents are concerned, which is why the numbers for Congress are so very, very low. An 11 percent approval rate of the United States Congress by the American people. Again, that troubles me. This is a wonderful, fine institution. It works best when people work together positively for their constituents.

So I challenge my colleagues on the other side of the aisle, I challenge them to embrace them in the SCHIP arena, embrace a positive bill which provides reauthorization for the bill but ensures that moms and dads and families and kids can be able to make health care decisions with their doctor without the intervention of the Federal or State government.

As a physician, I know oh so well how the intervention of the State and Federal Government into the practice of medicine destroys the ability to take care of people. It makes it so you can't provide quality health care for children and moms and dads.

There are alternatives to that. H.R. 3888, the More Children More Choices Act. More kids being insured, the same number of kids proposed by the other side, but more choices. More personal ownership and more ability to control one's future.

In the area of taxes, Mr. Speaker, the alternative is clear. It is allowing Americans to keep more of their hard-earned money. It is what we have done for the last 6 years. It has resulted in the largest economic boom we have seen in a number of decades. In fact, it has resulted in the largest economic boom that we have seen since taxes were decreased before in the sixties and the eighties under President Kennedy and President Reagan. And what we saw under them was increasing revenues to the Federal Government.

Mr. Speaker, it is an incredible privilege to come to this floor and present ideas and speak on behalf on our constituents in a positive and optimistic and enthusiastic way. I encourage my colleagues to embrace the kind of optimism and enthusiasm we have for America. And if this majority party would do just that, I promise you that the ratings for this Congress would increase. I look forward to joining my colleagues in that positive and upbeat way.

VACATING 5–MINUTE SPECIAL ORDER

The SPEAKER pro tempore (Mr. ARCURI). Without objection, the 5-minute Special Order in favor of the gentleman from Connecticut (Mr. MURPHY) is vacated.

There was no objection.

30–SOMETHING WORKING GROUP

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Connecticut (Mr. MURPHY) is recognized for 60 minutes.

Mr. MURPHY of Connecticut. I thank the Speaker and I thank the Speaker of the House, NANCY PELOSI, for once again allowing the 30–Something Working Group to come to the floor tonight and share with the American people and share with you, Mr. Speaker, some of the most important and pressing issues that are before this Congress right now, and to do that in part from a perspective of some of the hardworking individuals across this country who are looking for help from this Congress, who are looking for a Congress for the first time in a long time to start standing up for average, hardworking, everyday men and women who have been getting the short shrift from this government for a very long time.

I am soon to be joined by some of my colleagues, potentially Mr. RYAN and Mr. MEEK and Mr. ALTMIRE to discuss some of the issues confronting us today.

We will try, on behalf of Mr. ALTMIRE and Mr. MEEK, and certainly Mr. RYAN, to make as few Halloween analogies as potentially positive. We have exhausted that already this evening, and we are guilty on both sides of the aisle, so we won't talk about things being frightening or scary, at least until Mr. RYAN gets here. He may not be able to resist.

It always amuses me when we are down here for one of these 30–Something Working Group hours, and a lot of times we are preceded by The Truth Squad or some of our friends on the Republican side of the aisle. Often their mantra is to preach to the Democratic side of the aisle and preach to the American people the values of fiscal responsibility.

Tonight we heard a little bit about it from our friends from the other side of the aisle chastising Chairman RANGEL and his new very progressive tax cut which will bring tax relief to millions of working-class families. We heard them talk about how it is time this Congress got spending under control as well.

Mr. Speaker, there are short memories on the other side of the aisle, short memories which seems to only go back 10 months. They do not go back 3, or 6 or 12 years ago when Republicans took control of this Congress. If they did, they may have some recollection of the fact that they had 12 years of control. The Republicans had 12 years of responsibility over the Federal budget to get some fiscal sense and some fiscal discipline in the Federal budget.

I stand here as a representative from a pretty fiscally conservative district. I represent northwestern Connecticut which is filled with Democrats and Republicans and Independents alike who care about the management of their Federal budget. They care about what this government does with their Federal dollars.

They may be sort of a more socially liberal or moderate district, but when it comes to dollars and cents, people in my district care about fiscal responsibility. So I think one of the reasons I replaced a 24-year incumbent is because after a while, people in my little corner of Connecticut and from across this country woke up to the fact that while on the floor of the House of Representatives or back in their districts or on the talk shows or the cable news networks, the Republicans said over and over again that they valued fiscal responsibility, but when they had a chance to pass budgets to back up that talk, when they had a chance to get the deficit under control, not only did they not do it, they made it worse.

This President with a Republican-controlled Congress in the House and the Senate, with a Republican-controlled administration inherited a budget surplus and turned that in just a few years into a record budget deficit. A chart that Mr. MEEK and Mr. RYAN have shown on this House floor year after year after year says it pretty well. President Bush during the time he has been in office, all of that,

all of those budgets passed with Republican Houses and Republican Senates, in the time he has been in Congress, he has doubled the amount of foreign-held debt, doubled the amount of borrowing we have done which has been bought up by countries other than the United States.

It took 42 Presidents 224 years to build up $1 trillion of foreign debt. And it has taken this President 6 years to go to $1.19 trillion. And this chart is a little old, too. It's even worse than that now. So it amuses me, Mr. Speaker, and a lot amuses me in Washington. As a freshman Member, I find a lot of things to sort of step back and laugh about. But to get lectured by a Republican, now in the minority, about fiscal responsibility, when it was their party in control of this House and in control of the Senate and running the administration that put us in the situation we are in today. So now it is our job to try to clean it up.

When I go back to my district, Mr. Speaker, I have a hard time explaining why some of the simple, commonsense measures that we have undertaken in this Congress weren't done years, decades ago. I use for an example what is called the pay-as-you-go rule. It is kind of the rule that most families and businesses use every day, which is we are only going to spend money that we have. We are going to put money out at the same rate money is coming in.

For some reason when the Republicans were running this House for the last 12 years, that wasn't the rule of the day. In fact, regularly they were spending American taxpayer dollars that they didn't have, that weren't in the bank. That is what rolled up these deficits that were rolling in at about $300 billion a year. It's spending more money than we were taking in that is now responsible for a Federal deficit that balloons over $1.2 trillion.

The majority, I am not sure the majority but a large amount of that deficit, that debt, those notes, those obligations being held by China and Japan and OPEC nations, all of these countries that we are sitting across the negotiating table from, being largely compromised by the fact that we owe a large amount of money that we are asking for policy considerations from.

So we decided, let's do something simple. When Speaker PELOSI came to the Speaker's chair, to the dais you sit on right now, Mr. Speaker, she decided in the first 100 hours we are here, let's say that every obligation that we decide to commit ourselves to, every new spending bill that may come before this House, let's within that bill explain exactly how we are going to pay for it. When I explain that back home, when I go to my Rotary groups or my Chamber of Commerce meetings and I explain that Congress now has decided to only spend what we have, and if we spend anything more in that bill we are going to tell you how we are going to spend it, people look at me with these blank stares saying on the inside and on the outside: Why didn't you do this before?

This Republican Party that told us for years they were the party of fiscal responsibility in fact was running this budget into the ground; and could have, just by adopting a pretty simple pay-as-you-go rule, could have exerted some discipline on this House which was lacking almost completely for 12 years, now finally here.

I am pretty proud of Chairman RANGEL for his frankness as he was sort of mockingly given credit for earlier today, because the bill that he has put before us, the bill that fixes the alternative minimum tax, and I know we will spend some time talking about some really important topics as we head into the holidays regarding food safety and toy safety and drug safety, but first I want to talk about the alternative minimum tax because you didn't hear a word about it, you didn't hear anybody talking about it, at least when I was listening to the other side of the aisle, you didn't hear anybody talking about the very reason Chairman RANGEL and the Ways and Means Committee have dedicated themselves to tax relief because we are on the verge of the biggest tax increase on the middle class in perhaps the history of American tax policy courtesy of President Bush and the previous Republican majority here.

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So guess what? Yet again, it's left to this Democratic Congress, the New Direction Congress, to clean up yet another mess that was created by this prior Congress.

We're already trying to do it when it comes to children's health care. We're trying to reorder our energy policy. We're trying to clean up the ethical malaise that has settled on this town. So now we are also going to do it when it comes to this issue as well, to the alternative minimum tax.

In 1969, when the alternative minimum tax was passed by Congress it was pretty simple. They said, listen, with of the different tax loopholes and deductions and credits and offsets that people can take, there's going to be some people who make a lot of money who may be able, through creative tax planning, to avoid paying taxes to the United States Government. That's not right. That's not right.

And so in 1969, they passed a complicated formula called the alternative minimum tax, and in 1970, about 20,000 of the richest Americans paid the alternative minimum tax. Makes sense. Makes sense. Make sure that everybody pays some minimum level of taxation, especially those folks up at the top of the income stratosphere who have creative ways to avoid that tax situation.

Okay. So 20,000 people pay it in 1970, but guess what? Because Congress, after Congress fails to index the alternative minimum tax, in 2006, 3.5 million people end up paying it, and all of the sudden it's not just the tax paid by the really, really rich people. It's a tax that starts to get paid for by people that look and sound and make incomes like you and I, and as we look at what happens in the next couple of years, it gets even worse.

By 2010, if we don't fix the alternative minimum tax, the AMT as people call it around here. I figured out in my short time here that everything has got an acronym, everything; even things where the word itself is shorter than the acronym, that's got an acronym. So this has got an acronym. The alternative minimum tax is called the AMT.

By 2010, just 2½ short years away, if we don't fix this, if we don't clean up the mess that this last Congress created on the AMT, 80 percent of people that make $100,000, in Connecticut that's a middle-income family, 80 percent of people that make $100,000 are going to be paying the alternative minimum tax, and it just gets worse from there.

Mr. ALTMIRE. Mr. Speaker, would the gentleman yield on that?

Mr. MURPHY of Connecticut. I would.

Mr. ALTMIRE. And this is something that's critical to understanding the tax policies that we're going to be considering in the remaining time that we have in the 110th Congress.

The alternative minimum tax, as the gentleman is pointing out, is something that has to be addressed. We simply cannot afford to ignore this issue any longer. We've been in a position where we have been giving 1-year fixes year after year. For 1 year we hold harmless the folks that should qualify for the AMT as it's currently written with that flawed formula, and we push it off another year, and it gets more expensive to fix every time we do that.

And what the gentleman from Connecticut is talking about is it was a flaw. In 1969, they created the alternative minimum tax to prevent people from escaping their tax obligations. They couldn't use deductions and loopholes and whatnot, and they didn't index it for inflation. So now we're 38 years later, and the income of 1969 that was considered rich at that point, due to 38 years of inflation, we have a different outlook on that.

So we have a situation where the alternative minimum tax is spiraling out of control. And you gave numbers, 4 million people affected by it this year. If we do nothing, it is going to be 23 million next year. So we can't ignore the problem, and our friends on the other side of the aisle can pretend like that's not part of the equation and this is not something that we have to deal with or this isn't going to have a cost. And I know this is something you're going to address later in your remarks and we can discuss that, but to say, well, we should just do nothing about this or we should pretend like this isn't going to have a budget impact is just not consistent with the facts.

So the alternative minimum tax is there. It's the reality. It's existed for 38 years. It's spiraling out of control, and we're very close to being in position where if we were to scrap the entire income tax system, that would cost less than to do away with the alternative minimum tax. We're only a few years away from meeting that threshold.

So what do we do? Well, Chairman RANGEL has put forward a plan that is not the only plan that's going to be discussed. It's not the only plan that's going to be offered, but it's the starting point for the discussion, and he has said that this needs to be a permanent fix. And I know in the other body they're having the same discussion, that it needs to be a permanent fix. We can't continue to do this year after year after year, and it just gets more expensive.

So this is the starting point. We have to think about that when we talk about tax policy, that this is unmistakable that we have to deal with the AMT.

Mr. MURPHY of Connecticut. We've got to decide how we're going to fix it. Everybody on this side of the aisle and some of our friends in the Senate can sort of live in this.

Fantasyland where we're just going to do more of the same; let's fix this alternative minimum tax for middle-class taxpayers, and guess what, let's just do it by borrowing more money. That's the way I think a lot of people in the place would like to do, more of the same, borrow money in order to cut taxes.

You can't do that anymore. You can't do that for the next generation is going to end up paying all that money back. You can't do that because you can't exacerbate the existing trend, which has countries like Japan and China and OPEC nations, and Taiwan and Korea and Hong Kong and Germany owning all this American currency.

You've got to stop this. You've got to stop the madness of borrowing. So the way you do that is to be honest about how you pay for the alternative minimum tax, and we're going to have to deal with some choices here.

The Republican Congress for years made this choice. They could have fixed the alternative minimum tax. Instead, they gave away more and more and more tax breaks to their super, ultrarich friends and their oil companies and drug companies and everybody else who did well here. We're going to make some different choices.

We're going to actually balance the Federal budget in 5 years. We're going to give some tax relief, badly needed, to the middle class, and you know what? We're going to stop that policy of giving away tax breaks to folks that don't need it.

Mr. RYAN of Ohio. Mr. Speaker, if I can intervene here, I mean, you look at the money that we're borrowing and then we're giving tax cuts. So it's not that we have the money laying around here and say, boy, we've got a lot of money laying around here, why don't we just give the wealthiest people in our country the money back. We're actually going out to China and OPEC countries and borrowing the money to give tax cuts, and then we borrow the money from OPEC countries to fund the war to get oil from the Middle East.

This is the most convoluted scenario that you almost think you've got to read a Tom Clancy novel to drum it up. And then when you look at the priorities that aren't getting funded here that we're now trying to fund, and on the House floor today we had the minority leader, we had the minority whip, we had all the leadership of the Republican Party tell us how somehow funding education, lowering tuition costs, reducing the amount of student debt that our students are going to have to incur, funding community health clinics is somehow not an important priority, that somehow if we put all these bills together with the defense bill and the veterans bill and education bill and health bill, that somehow those aren't all American priorities, that somehow when these vets get back, that because all these bills are somehow put together in a process that's going to speed this whole thing up, that somehow when those vets get back, they don't need health care, their kids don't need health care. Somehow when the vets get back that they don't need education, they don't need increased Pell Grants to send their kids to school.

Am I missing something here? Like these vets are out fighting for our freedom here, just for a defense bill, or just for a vets bill, that they're somehow not fighting for some of these basic, fundamental American values that we have. And look what's going on back at the ranch when our friends are playing around with the budget, not wanting to pass legislation, passing tax cuts for the top 1 percent, look at the hole we've gotten into.

Now, this is something that is very important to me, and I remember a few weeks ago I was at my brother's house who has two young kids, Dominic and Nicky. One's 1 and one's 2. And my sister-in-law said it's scary about these toys. I remember her saying that.

Here's from 2001, and it goes up as the years come, the amount of imported toys coming from China. Okay. Over here, the yellow line that drops off, that is the number of Consumer Product Safety Commission employees going down. So we only have 400. As the number of imports from China and toys come into our country goes up, the Bush administration has reduced the number of Consumer Product Safety employees to actually monitor these toys. Same thing's going on with food.

So when you look at these mixed priorities, you know, sometimes we think, well, the war's going on in a far-off place or it doesn't affect me. If you've got kids and you've got toys, this irresponsible behavior that we saw in Katrina, we saw with the government contracts in Iraq, comes right into your household because of a lack of investment into the United States.

Mr. ALTMIRE. Just to clarify, as the gentleman from Ohio understands, this was not the reduction that you see there in that chart. This was not a governmentwide reduction in costs where we were tightening our belts and doing the right thing and being fiscally responsible and we happen to lower the costs in the consumer safety section by reducing some payroll over there. This was the biggest spending administration and the biggest spending Congress in the history of the country.

Mr. RYAN of Ohio. Right.

Mr. ALTMIRE. As the gentleman points out, it's a matter of setting priorities. It's not as though they were lowering the cost of government across the board. They picked and chose what they wanted to lower, and one of the issues they thought wasn't important and we didn't need to deal with was consumer safety.

Now, I think we would all agree that consumer safety is incredibly important and especially what's happening with the Chinese imported toys, and to have dramatically less people working in that department this year than we did last year, than we did 5 and 6 and 7 years ago is outrageous.

But I did want to put it in perspective that we are raising the debt incredibly, $3 trillion and counting in the last 7 years of this administration.

Mr. RYAN of Ohio. We haven't borrowed money to make sure that we can hire enough people in the Consumer Product Safety Commission to make sure our toys are safe coming in from China. We're borrowing money to give the top percent a tax break, people making millions and millions and millions of dollars a year, and hey, if you make millions, God bless you, but now we're in a position where we don't have enough employees to monitor the toys coming into the country and we're giving multimillionaires a tax break. We're borrowing the money from China, which is pretty interesting when you think about all these toys coming in from China, that we're borrowing the money to fund the war and the tax breaks from China. So China's now our bank. So now they, of course, want their products coming into the country.

So, now all of the sudden, things like the reduction in employees at the Consumer Product Safety Commission happens because the Republican House and Senate and the White House have got us so dependent.

You mind if I go through here? I don't even know what these toys are. I see them on my brother and sister-in-law's floor. You'll know soon. You're newly wed.

The football bobblehead cake decoration. Okay. These are toys that have been recalled due to lead. This has a Patriots bobblehead.

Mr. MURPHY of Connecticut. That was not me. I'm a Giants fan. That's hard to explain.

Mr. RYAN of Wisconsin. We've got a Rudy Guiliani situation here.

Purple Halloween pails with witch decorations. We've got the Sponge Bob Square Pants Address Book and Journal. We've got the Thomas and Friends Wooden Railway toys. We've got the Go Diego Go Animal Rescue Boats. Very Cute Expressions. Children's toys gardening tools and the Robbie Ducky Kids watering can.

Mr. ALTMIRE. I have two little girls, 8 and 6, Natalie and Grace, and I have in my home some of those toys. I can tell you as a parent these are not toys that are fringe. You talk about Sponge Bob Square Pants and Dora and Thomas the Tank Engine, those are mainstream toys. Those are in families and houses all across this country. And to think that the Consumer Product Safety Commission doesn't have the resources to adequately monitor these toys coming in with exaggerated levels of lead, dangerous levels of lead from the Chinese, as a parent it makes me very angry, but as an American it makes me angry because I know all across the country there's kids right now that are playing with those very toys.

Mr. MURPHY of Connecticut. I really appreciate the analogy Mr. RYAN makes about the choices we're making. We don't want to borrow any money. We want to actually be honest about how you spend. I think it's a great point to make again that this administration and the Congress that used to control this body was making this choice.

□ 2045

You sort of put it to the average American living in Ohio or suburban Pennsylvania or Connecticut that if you had a choice to spend money and give an extra $100,000 to that really rich guy who lives up on the hill or you could spend that money to make sure that the Sponge Bob toys that your kid is playing with don't have levels of lead 100 times over the Federal standard, I mean, that's kind of a laughable question, like the premise, you know, you would be laughed out of the room by most parents for that. Of course you should put more testers and more product safety employees in the Federal Government.

What we find out, when the head of this organization, when the director of the Consumer Product Safety Commission comes and testifies about what's going on, why do we have 20 million toys manufactured in China that were recalled this summer? Why do we have that long list that Mr. RYAN puts up? Why do we have just recently a press release dated today from the Consumer Product Safety Commission calling for a recall of these fake teeth that kids use, and a lot of them use on Halloween. Well, it turns out that about 43,000 of these fake teeth that kids are using out there have levels of lead that might be as much as 100 times over the Federal standard.

I mean, this is dangerous stuff.

So Ms. Nord comes before the Congress to be held accountable, first time that's ever happened on this issue, I mean, finally we are bringing these bureaucrats in front of Congress to ask these questions, and she says that she doesn't have the resources to do her job and that there is one, quote, lonely toy tester in her office, one lonely toy tester who is responsible for the flood of millions, probably hundreds of millions of toys coming in from China.

When you think of the choices that have been made to give these massive tax breaks to the wealthy, to oil companies, to put our troops in harm's way in Iraq for a policy that's making this country less safe, not more safe, and what we got for all of that was one person who is charged with making sure that our kids don't get poisoned by toys over here, it boggles the mind.

Mr. RYAN of Ohio. When you think about hundreds of millions of dollars worth of trailers sitting in the gulf coast that never got used for Katrina, when you think about all the wasted, unbid contracts through FEMA, to Halliburton, and in the war, I mean, hundreds, hundreds of millions of dollars, billions of dollars.

Then all of a sudden we find that we have these regulatory issues, this is security, this is economic security. This is family security, when you hear Democrats talking about securing the country, it doesn't mean we want to start a war, it means we want to protect the homeland, and border security, family security, food safety, toy safety, product safety, these are things that it is our responsibility, as Members of Congress, to take care of. You have people sitting in towns and cities and counties all over the United States that are very, very concerned with this issue.

To have a person who is in charge of these kinds of things say we only have one person who is in charge of toy inspection, and we don't need any more money to do it is a complete dereliction of duty, of our responsibility here. When you look at what we are trying to do at every single turn, from raising the minimum wage to reducing college costs, to ensuring product safety, to ensuring food safety, this is about economic security. This is about homeland security. You know, 50,000 new cops on the beat, first responder funding. I mean, these are all things that we have been pushing and our friends, many of them on the other side, are obstructing this from getting done.

Mr. ALTMIRE. I wanted to do a couple of things. I wanted to talk about that one lonely toy inspector.

Mr. RYAN of Ohio. Do it.

Mr. ALTMIRE. I know the gentleman didn't have the number in front of him when he was talking about it, the number of toys just from China that were recalled last year. This is this year, the number of toys that we imported, this is the number of toys that were recalled, is 20 million, 20 million toys just from China that were recalled this year, and we have one employee at the Consumer Product Safety Commission that's reviewing those toys.

But we may have people out there that are watching us tonight that say, well, I don't have kids, I don't have toys. It doesn't affect me. Let me tell you, it does affect you. Let's talk about food safety and let's talk about what's happening right now with regard to that.

Just with China, recalls this past year ranged from bag spinach and peanut butter to contaminated wheat flour, all from China. That has brought fear to the Nation's kitchen tables. We have tainted food coming in from China as well.

I am not going to test my friends from Ohio and Connecticut, but I will tell you up front, less than 1 percent of our food imports are inspected. That is a shocking number. That surprised me.

Mr. RYAN of Ohio. How about the President the other day? This drove me crazy. He says, Congress is wasting their time with all these hearings. It ceases to amaze me anymore that we try to pass children's health care, and the President says, well, they can go to the emergency room. We are trying to have oversight so that we can have real product safety, safeguards up for food, and you are having all these hearings. We are trying to oversee what's going on in Iraq so we can, A, fix the problems we are having, but, B, finding all of these billions of dollars that have been going to these nonbid contracts and the jobs are not actually getting done. Then he said, oh, you are having all these hearings.

Then he said today, about the SCHIP bill, I don't know if you heard this, but he said, Congress is trying to pass this health care bill for kids, but it's really a trick. He said it was a trick. This is not a trick. This is us trying to pass health care for kids. He thinks it is somehow cute to say that on Halloween that this is somehow a trick.

Mr. ALTMIRE. I appreciate that. I want to talk about one of those hearings that we are talking about, the oversight hearings the President says is a waste of time.

Well, I would ask the American people if they think that the House Homeland Security Subcommittee on Emerging Threats has a hearing to investigate the Federal Government's efforts to protect our food supply chain, and the issue that I talked about where 1 percent of our food imports are inspected, I don't think that's a waste of our time. I don't think the gentleman thinks that's a waste of our time.

Mr. MURPHY of Connecticut. Let me give you a quote that comes out in one of these oversight hearings.

Mr. ALTMIRE. I yield to the gentleman from Connecticut, the New York Giants fan.

Mr. MURPHY of Connecticut. I will explain this to you later. It's very complicated. I reject the notion that just because a team calls itself after a big geographical area that I have to reform. I live in Connecticut, just because they call themselves the New England Patriots, but that's for another time.

Mr. RYAN of Ohio. We should have a hearing on that.

Mr. MURPHY of Connecticut. Let me give you a quote that comes from one of these hearings and you decide, we will let the public decide and our colleagues decide whether or not this is good information that maybe we should have out there.

David Kessler, who is the former FDA official and one of the acknowledged experts on food safety in this country, Kessler says, ''We have no structure,'' in this country, ''for preventing food-borne illness. The reality is that there is currently no mandate, no leadership, no resources, nor scientific research base for prevention of food safety problems.''

I think that's probably information that we should know, that one of the leading officials, one of the leading experts on food safety and food regulation in this country believes that we have absolutely no ability to control the quality of food coming into this country.

He knows what we know, the amount of inspections has dropped precipitously. We did about 50,000 food inspections in 1972. We do 5,000 now in 2000. We have dropped by 90 percent over the last 30 years the amount of food inspections we do.

We have these experts out there who had these opinions that they couldn't share because Congress wasn't doing oversight. Congress wasn't bringing before it the people who knew what was going on out there, knew the risk that the American public was being put at, they weren't being asked to come here and express those opinions to Congress. We are getting them now.

Mr. RYAN of Ohio. We are getting them now, and, of course, it's important to recognize that you probably can't monitor every piece of corn that's coming into the country or every product that's coming into the country. But what happens is if you do have a significant presence, one is in random inspections, there will be a general consensus among people shipping food into your country that there will be inspections, and they may get caught if they do not keep meeting the standards.

But at the same exact time, what this does here is if people are getting busted for sending food in from China, then all of a sudden you are going to see production increases here in the United States, whether it's toys being manufactured or maybe something else. So it's very important.

This is about safety. This is about protecting our kids. This is about making sure that our families have, when they are having Thanksgiving dinner, have a lot of knowledge and confidence in how the government is administering these programs.

Mr. MURPHY of Connecticut. Now that we are starting to shed some light on what's going on out there, the charts that you put up about the amount of imports into this country for unsafe toys and the incredibly quick decline and the amount of people that are charged with inspecting those toys, I mean, that's out there now. You would think that now that we finally shed some sunlight on the issue of unsafe toys and unsafe food and the number of people that are at risk and the problems with our current regulatory processes, that we could all come together and work on this now.

But what happens? Yet more obstinacy from this administration, yet more closing of their eyes and their ears to this problem. The Senate and the House are both working on reform pieces of legislation that will give new powers, new duties and new resources to these commissions, in particular to the Consumer Product Safety Commission.

That same director that we are talking about, the person that runs the Consumer Product Safety Commission, came and testified before Congress that she doesn't want any more powers. She doesn't want any more protection that she can afford the consumers, that she would rather see the status quo, effectively, is what her testimony is. Even now that the American public has awoken to this problem, that this Congress finally is talking about it, we still have an administration that says, I don't want to do anything more. I don't want any more power. I don't want any more resources. I just want things to be as they are. I want to close my eyes and my ears and hope the problem goes away. That can't be how we do things going forward.

Mr. ALTMIRE. I want to put this in perspective. I would like to bring this down to the level of the average family and what they are consuming when we are talking about some of these recalls with regard to food safety, and so people can understand at home what we are talking about.

I have a list in front of me, and I won't read through it all, because it's an incredibly long list, unfortunately, the recalls that have taken place just this year. Just this year. We are at the end of October, the last day of October, today.

But a couple of the big ones that stand out, I am sure everybody remembers back in February the peanut butter recall due to salmonella contamination, huge issue, people were sickened all across the country. The level of that recall, 326 million pounds of peanut butter across the country, and that, primarily, would affect children, children eating their peanut butter.

We had a 55,000 cantaloupe recall. Now, that came from Costa Rica, because of salmonella, just to show you how across the board this is. We had 9.5 million bottles of Listerine that were recalled due to a microbial contamination, and that was in April.

Throughout this list, month after month, there are multiple recalls involving millions of pounds of ground beef for a variety of illnesses that it caused, so ground beef, and from a number of different countries that we are talking about importing.

We have food recalls involving apple juice, 113,000 units of apple juice were recalled in August.

Then, lastly, everything up through pot pies, we just had this month, they were recalling pot pies due to salmonella contamination. So when we talk about 1 percent of the food imports into this country are inspected, it affects our entire food supply. Yes, this is a health issue, but this is also a national security issue. That's why we are having some of these hearings that we are talking about.

□ 2100

And I'm very grateful that we have been joined by the distinguished colleague of ours from Florida, Miami, Mr. KENDRICK MEEK; and I would, at this time, yield to him.

Mr. MEEK of Florida. Thank you so very much, Mr. ALTMIRE. I was very pleased to have had the first half of this hour to trick-or-treat with my kids. We had a great time. And my daughter was some very scary—I don't know what her, she couldn't quite explain to me what she was, but I asked what, I mean, What are you? She said, I'm your daughter. So that was like, okay, I won't ask any more questions. My son was a Secret Service Agent, so I was well protected.

Let me just say, gentlemen, and I think it's important for the Members to pay very close attention to what we've shared with them, and I'm so glad that we are heading towards safer toys, safer food, safer medicine. Too many times in the news we hear about how loose we are with other countries being able to not have standards and quality control in place, and it ends up affecting everyday Americans, and it disrupts business. We have rumors about things being unsafe, and it's making Americans feel more uneasy about it. And Mr. ALTMIRE, I'm not one to make a, you know, start fire alarms and carrying on and scaring people, but it is pretty scary, the fact that we do have, in some cases, as it relates to those that certify the toys that can come in and out the United States of America as relates to safety and setting requirements for children, it's just one person running that office. And we're the biggest democracy or one of the superpowers of the world, one of the biggest democracies. And I think it's important that we shed light on this. The people count on this Congress to govern. I think the reason why it hasn't happened to this point, of the cozy relationship that the previous

Congress has had with the business community, even when those that are in the business community will fare far better if we were to have the kind of standards and controls as it relates to the importation of toys and food and medicine. I look forward to the debate.

It's very unfortunate, and let me just say something, because I know Mr. MURPHY said something a little earlier about, you know, now we're moving in this direction, we're hearing some push back from the administration. I'm not a black man with a conspiracy theory, but I will say that there's, I think there's a push out of the administration to see the Democratic Congress not be as successful and not heading in a new direction as the American people voted for. I think some politics has something to do with this. It's very unfortunate, especially when we're looking at this kind of legislation, Mr. ALTMIRE and Mr. RYAN. I think it's important that everyone pay very close attention to the new direction agenda, that this card continues to get more and more on it as it relates to accomplishment. And, Mr. Speaker, it's a bipartisan accomplishment. That's the good thing about it. We have Republicans voting for Democratic bills. They would have voted for it all along if the Republican leadership allowed that legislation to come to the floor.

So I think it's important, Members, that we continue to push on, that we continue to encourage our colleagues on the other side of the aisle to join us in accomplishing what the American people wanted us to accomplish. Independent voters, Republican voters, Democratic voters, reform party, what have you, they're looking for results. They're not looking for back-and-forth on my idea is better than yours and nothing ever happens. So I'm just honored to be down on the floor with you Members here.

Mr. RYAN, I'm honored always to be here with you, sir. I mean, a very important member of the Appropriations Committee, he had a couple of bills pass off the floor today. It's great.

Mr. RYAN of Ohio. Well, you know, one of the things we talked about while you were out trick-or-treating was the connection between the money that has been borrowed by the past three Congresses and the administration from China, that's now our bank, and how their exports have been facilitated into this country, in this instance, the toys. So it's very difficult, I think, from a perspective of someone who's borrowing money from a country to say, hey, wait a minute; we've got some real issues with doing business with you. It becomes very difficult. And so I think our position with China, borrowing the money, the OPEC countries and many, many others, has put us at a significant position of weakness in dealing with a variety of foreign policy issues, but also dealing with issues like this.

Now, I showed this chart earlier, Mr. MEEK, and I know, I think this was your idea to get it. But this is the chart of the number of toys being imported into the country and the number of employees that are assigned to protect the consumer. And so, much of this, much of these imports have been from China, and I don't think it's a coincidence that we want to somehow facilitate business with this country, which is fine. We know we have to do business in a global economy. But you don't do it at the expense of the health, safety and welfare of your own citizens.

Mr. MEEK of Florida. I'm sorry. Will the gentleman yield real quick?

Mr. RYAN of Ohio. I would be happy to yield.

Mr. MEEK of Florida. You know, Mr. RYAN, again, I don't have a conspiracy theory, but, hold that chart. Don't do away with that chart. You can pass it over here. I just want to make a point here.

It's interesting that everything seems to have happened in 2000. Look where it was in 2000 and look what happened since then. I wonder who's been in charge of the country starting in 2000. I mean, we're not speaking, I'm not, you know, I'm not trying to say anything. I'm not talking about anybody. I'm just talking about what I'm talking about. And the real issue here is the fact that, I said that, it made as much sense as this chart is making sense right now, but the real issue is that it's been an ongoing issue. A lack of regulation, a lack of, I mean, more freedom as it relates to China doing what it wants, what it would like to do.

The TAA bill passed off the floor today to give U.S. workers an opportunity to be retrained, which was very, very important. It was important to the States, and it's important that we bring some sort of balance back to this. It's nothing wrong with a global economy. But it's everything wrong when we allow other countries to have the upper hand on U.S. companies and also U.S. workers, and we have to have the standards in place.

But thank you, sir. This wasn't my idea to do this chart. I will not take credit for it. But I just wanted to let you know.

Mr. RYAN of Ohio. Well, I know you have a lot of good ideas.

Mr. MEEK of Florida. I have a lot of great ideas.

Mr. MURPHY of Connecticut. Let me read, Mr. MEEK, to you from a, you guys all say third-party verifiers, right? Validators. Kind of means the same thing. Half a dozen, six. So this is from a report called Toxic Trade done by the Campaign for America's Future, and we'll go back to this problem that we have at the CPSC regarding toy testers. It says this: The agency's toy testing department, it's lab hasn't been modernized since 1975, and the department consists of one man who drops toys on the floor in his office to see if they'll break. I mean, that's it. There you go. I mean, that's the toy testing regimen of the United States Government is a guy, and I'm sure he's a wonderfully nice guy. But he sits in his office at his desk and he takes toys and he drops them on the floor to see if they'll break. I mean, that's what we got now. That's what you got for these record deficits, for all the spending in Iraq, for breaks for oil companies and drugs companies. You've got one guy who drops toys from his desk and sees if they'll break.

Mr. RYAN of Ohio. We just need to, I think, look back, and I say this with the utmost respect, Mr. Speaker, because the President basically, yesterday, in his press conference, I think it was yesterday or maybe today, in his press conference basically was making fun of Congress for holding hearings, making fun of us. But when you look at what we're holding hearings on, we're trying to fix problems that we have in the country. So we're having hearings on FEMA and the disaster that we all saw on TV at the gulf coast. We're having hearings on Iraq, the unbid contracts, the problems that we're having there, the wasteful spending, the billions of dollars that the Pentagon doesn't know where it is. We're trying to have hearings to find out what's going on. Hearings on toys. I mean, we're trying to figure out how do we fund this, how do we have enough consumer product safety workers here in the country to make sure that our people are safe when you're dealing with products or food. I mean, when the administration then continues to make light of these very serious concerns, it's troubling to us to somehow say that we're holding hearings, which is our constitutional duty. Article I, section 1 of the Constitution created this body.

So, again, we have Katrina, we have the war, we have toys, we have passports, FEMA, we have all of these issues that we're dealing with in this country. I'm sorry if we're trying to solve these problems.

I yield to my friend.

Mr. ALTMIRE. I thank the gentleman from Ohio. I have people all the time in my district, Mr. Speaker, that come up to me and talk about that passport issue that Mr. RYAN mentioned. We had hundreds and hundreds of travelers over the summer months that needed the help through our office, and I'm sure you had the same experience because of that 500,000-case backlog at the State Department. They were unable to deal with it. They put forward this regulation. They didn't have the resources to deal with it, very similar to what we're talking about with the Product Safety Commission. These are the types of things that we are holding hearings on. We're trying to get to the bottom of it. And when the President talks about, well, we're wasting our time by holding our hearings, I'm not sure what his inference is. I'm not sure what he would have us be doing, because it's not as though we haven't been doing our work here in this Chamber, because tomorrow, we begin the 11th month of the year, and

through the first 10 months, as the gentleman knows, this Congress, the 110th Congress, compared to any other Congress in the history of the country, the 109 that came before us, through this date and time, this Congress has met more often and taken more votes than any Congress in the history of the country, bar none. So for the President to insinuate that we're holding these hearings and doing nothing else, again, it's inconsistent with the facts.

Mr. RYAN of Ohio. If the gentleman would yield, it's, I mean, we're obviously in a very complicated world. We're trying to solve some very complicated problems. And the frustrating part is when you have the President of the United States have a series of comments throughout his administration that have basically, you know, simplified all of these issues. You know, after 9/11 the big great challenge he gave us, Mr. Speaker, was to go shopping. You know, we try to pass children's health care and he says, well, you can get health care at the emergency room. And then, Mr. MEEK, at his press conference today, he said that our whole children, SCHIP, trying to cover 10 million people program was a trick on the American people. These are, you know, we're wasting time holding hearings.

There are very serious issues that our families are dealing with, and to have the President of the United States, the most powerful man in the free world, someone who is able to stop children's health care from being administered in this country to 10 million kids, someone who's able to veto bills, and you need to rally, you know, a lot more Members of Congress in order to pass something, to try to simplify and make light, and I like to have as much fun as anybody else and we have our share of fun here, but we're dealing with some pretty serious issues. That the President's behavior and tone and temperament and comments on these issues becomes very frustrating.

I yield to my friend.

Mr. MEEK of Florida. Thank you, Mr. RYAN. Personally, I'm just kind of glad that the President's criticizing the Congress for doing what we should do. The American people voted for a new direction. We have the fruits of the new direction here in these very new Members of Congress as it relates to the majority makers giving us, empowering those of us that have been here, and they're bringing ideas to the table as it relates to moving in a new direction. If I was the President, I would try to, you know, shut off the light bill over here at the Capitol so that we can stop working so that we can stop uncovering half of what's going on.

I mean, Mr. RYAN, you gave one, you have one of the best clips on YouTube saying this is the same administration, and he goes down the line because someone on the floor, I think, last year or the year before last criticized Democrats for questioning the President. And Mr. RYAN said, I'm sorry, but this is the same administration that told us that we had to go to war, weapons of mass destruction. This is the same administration that outed a CIA agent. I mean, this is proven stuff. This is not fiction. This is fact. And I always say, gentlemen and ladies, that when people look back on this period, they're going to see who was actually about the solution and who was actually validating what the administration has been doing. And I think that it's important for us to have this balance. And I think it's important for us because we, the four of us here on this floor right now, we're just like every other Joe and Sue out there. I mean, I was a skycap once upon a time and a State trooper. And you know, I carried luggage, ''Yes, sir,'' ''No, sir.'' I went out and patrolled the highways and byways in the State of Florida and offered myself to be a State Representative.

□ 2115

I had a district office right there and went to Tallahassee and did what I had to do. Many of you, the same track as it relates to the State legislature or local elected officials, and we heard this. So now we're the same old Joe that left our local districts. Now we are in Congress, and we are going to ask the questions that the people that we represent will ask us. When I go home and I go to the grocery store, people ask me, What is going on? What do you mean? The President doesn't want it to happen. I said, it's not about the President's standing against children's health care insurance; it's about enough Republicans on the other side of the aisle that are standing with him, and that's what it's about.

And so I think it's important, gentlemen, that we look at it from that standpoint. The President is not running for reelection, but there are Members of Congress that are running for reelection. And it should not be a secret that come next November on a Tuesday morning or before as it relates to early voting, absentee voting, people will be able to stand in judgment of the individuals that are validating what the President is saying.

So it's really like which side of the ball are you on? Are you on the side of fiction or are you on the side of fact? The fact is about accomplishing things with the Democratic majority and some Republicans joining us in that effort, which I enjoy because we talk about bipartisanship and we are actually doing it, or those that are saying we have to stand in the way because we can't allow the American people to see a Congress that's functioning and questioning the executive branch.

Mr. RYAN of Ohio. Can I make a point too? And I want to say this because we all have a lot of good friends who are on the other side who have voted for the Labor-Health-Education appropriations bill, voted for defense, voted for the vets; and the argument being made today was that somehow this was unique that we are putting several appropriations bills together. If you ask people in our districts, the whole process is foreign to them anyway. It's just get the job done. And when we look back at our Republicans friends, Mr. Speaker, when they were in charge, on 59 different occasions, had put bills together like we're trying to do. And so I think it's important. We are trying to get the job done. But this is not every Republican. This is, in my estimation, some very fringe, extreme members of the Republican Party who are basically backing the President on these things, and he has just enough Members on the Republican side to sustain a veto.

Mr. MEEK of Florida. In the House.

Mr. RYAN of Ohio. In the House.

Mr. ALTMIRE. I know we're very short on time; so we'll turn it over to Mr. MURPHY shortly to close out.

But you talked about combining these appropriations bills and the criticism that we received from the other side. I wanted to remind my colleagues of the last time that this happened. It was very recently. We shouldn't need to remind them. It was just in February. And the reason we had to combine nine appropriations bills from last year in this session of Congress was because, after the outcome of the elections in 2006, the Republican Congress said, I'm done, I'm going home. I don't care about these nine appropriations bills. We'll leave it for the next group to fix. And that is what we had to deal with when we came in, nine appropriations bills that were not completed from the previous fiscal year. We were in the current fiscal year doing last year's work. So I couldn't believe what I was hearing today on the floor when we were being criticized for combining three appropriations bills in the current fiscal year when they left us with nine bills incomplete that we had to deal with.

Mr. RYAN of Ohio. It's the same disjointed kind of argument that the President, Mr. Speaker, has given us on the SCHIP bill. This is 10 million kids, $35 billion over 5 years. We could pay for these 10 million kids to get health care for a whole year for 40 days in Iraq. And the President, who has run up $3 trillion in debt, borrowed it from China, raised the debt limit five times, is now going to draw the line in the sand on fiscal responsibility on 40 days in Iraq to provide health care for 10 million kids. I mean, there are so many disjointed arguments and floating pieces that are going around here that just don't make a whole lot of sense to many of us.

I hope that we can try to continue to push to get more Members on the other side of the aisle to join with us to do some pretty basic things that the American people want us to do.

Mr. MURPHY of Connecticut. Thank you, Mr. RYAN.

I have to say, Mr. Speaker, it has been an honor to stand in the shoes of Mr. MEEK and get to anchor this hour today. I feel like a better person, a better man for it.

Mr. MEEK of Florida. If the gentleman will yield, I wear a size 15. I don't think that you probably can stand in my shoes with your shoes on.

Mr. MURPHY of Connecticut. It would be pretty tight.

With that, Mr. Speaker, we thank Speaker PELOSI for allowing us this time. We can always be found at 30–Something Working Group on the Speaker's Web site, www.speaker.gov.

WHAT IS CONGRESS' PLAN FOR AFFORDABLE ENERGY?

The SPEAKER pro tempore (Mr. ARCURI). Under the Speaker's announced policy of January 18, 2007, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 60 minutes.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I rise tonight to talk about a different subject than you've been hearing about, one that I think should be talked about in the halls of Congress here: What is Congress doing about available, affordable energy for America?

I know it's Halloween, but when we find out the price of oil today on the market, we are all going to think it's a Halloween joke.

First, I want to show the record of oil prices, of how they have been rising. Now, this doesn't show the spikes up and down all along. These are annual average prices.

Just last week I was here speaking and we were at $90. But today I think we're off this chart because at the close of business on Wall Street today, oil was $94.53 a barrel.

I don't know about you, but that puts fear in my heart. The winter season is coming. People are going to need to keep their homes heated. People are going to need fuel to drive their cars. The American economy is going to need affordable energy to compete in the global economy. On October 31, 2007, oil closed at $94.53.

Now, 6 years ago, it doesn't show it on the chart, but 6 years ago, natural gas was $2 a thousand; now it's $8. Oil was $16. This is a 600 percent increase in oil prices in just 6 years.

Is it an issue? It hasn't been mentioned here today. It wasn't mentioned here yesterday. It wasn't debated last week. We are going to have record high home heating oil prices for those heating their homes, record high diesel prices for those who are transporting our goods up and down the highways, and so I guess the fair question is, what is Congress's plan for affordable energy for America?

Months ago I was down here on the floor and debated the House bill. The House passed a bill. We'll talk about it later in content. And simultaneously a little later, and the Senate is usually a little behind, they passed a bill. Now, you would think with energy prices spiking to record levels, there would be some sense of urgency in Congress. There would be some sense of urgency to get the Senate bill and the House bill together and get it on the floor to help Americans meet their energy needs.

Now, we have had some interesting things happen here. Speaker PELOSI forced the curator, those who run the Capitol here, to switch from coal to gas so we could lessen our carbon imprint. Now, that's going to cost the taxpayers $3 or $4 million because gas is the clean, green fuel and she thought it was better that we heat the Capitol with gas and not coal. Now, what is interesting is it would seem like we should be about conserving. I haven't seen a dollar appropriated to put double-pane windows in all of the Capitol complex. Most of them are single-pane glass. Now, most of us at home have done better than that. My office building, single-pane glass. On a cold winter day it frosts right up. It transmits lots of heat out, lots of heat in. Depending on where the heat is, it goes right through single-pane glass. But wouldn't it make more sense to conserve energy in the Capitol complex and do energy efficient windows and doors? No, we just switched fuels and spent an extra $4 million so our carbon imprint was less.

Now, we have also mandated that all government agencies, including ourselves, use those little round fluorescent screw-in light bulbs. I have some at home. My wife doesn't like them. I don't like them if it's a reading light. At least they vary. They are not the same quality of the incandescent bulb we are used to. We're spoiled. But we have mandated those in every appropriations bill this year, and what's disappointing, though, is that they are all made in China. We are mandating that our light bulbs come from China.

Now, while we talk about energy, we can talk about why we have such high prices. I want to switch charts here. And here we have a chart of the percentage of imports for America. Now, this chart is a little behind. It actually is almost up to 70 now. Every year we increase dependence on foreign, unstable countries by 2 percent. That's in the last decade. Every year. I think that number is going to increase, and I will explain to you why later, that it may even go up faster.

Now, while we are becoming more and more dependent on foreign oil, we have countries like China and India, and this is one of the reasons for high energy prices today. We have always been the only big user. We have always been the big dog economically. Well, we're one of the pack now. There are a lot of big dogs out there. China and India's energy use is increasing between 15 and 20 percent a year. They are building a coal plant in China every 5 days. They are opening a new nuclear plant for electricity every month. They are building the largest hydrodams ever known in the world routinely. They are buying up oil and gas reserves and making deals with other countries all over the globe so that China has the energy it needs to run its country. What is America doing? We will talk about that.

America does not have an adequate sense of urgency about providing energy for America, affordable energy for America. We passed a bill in 2005 that had a lot of positive incentives. But the problem is when you pass a bill, it's years before you have production of energy. And many of the incentives that were in that bill, many of the things that were helping us produce more energy are now being tried to be rolled back by the Democrat bills that are going to come before us, that have come before us, and will come back before us again in a conference report, and we will talk about that in more detail.

What does America want us to do? Well, the Americans I talk to, they want to be able to afford to heat their homes and drive a decent car. They'd like to be able to afford to buy food and other things after they pay their energy bills.

Now, these energy bills that have been passed some months ago have been languishing. I haven't heard much discussion. In fact, I haven't heard of a conference committee meeting.

□ 2130

It doesn't seem like 3 weeks ago when we had $80 oil; that was enough sense of urgency. It doesn't seem like last week when we had $90 oil; that was enough sense of urgency. And here we are at $94.53 oil, and that doesn't seem like enough sense of urgency. Now, reading the Wall Street Journal today, the article was scary, it said, ''We don't expect oil to stop at 100.''

Now, I expected energy to get expensive this year. I've been predicting it. And I had someone say, How did you know that? And I said, You've just got to be watching what's going on. There's an oil shortage in the world. There is tremendous demand because all the developing countries are now driving cars and have factories and are using energy. And specifically the big ones, like China and India, their economies are growing at record paces, are consuming a lot of energy. And we're going to be competing with them down the road.

What scares me, and I'm going to put $94.53 back up here, because that's correct. Here is what's scary about $94.53 oil. We, for the first time in many years, have not had a storm in the gulf. Every time we have a major storm in the gulf, it reduces supply of oil and gas; about 40 percent of our energy comes from the gulf. So when a storm like Katrina or Rita hits the gulf, or even one not as severe as them, it shuts in a lot of oil for weeks and months, and any damage that's done to rigs or refineries or pipelines or processing stations for the gas, it just shuts down capacity. We get a lot less energy after a Katrina. Some of those were not repaired for 9 months to a year, and that energy is just lost. You just don't get it because you have to keep producing every day.

Now, we have not had, for the first time in years, a storm in the gulf that has disrupted any amount of supply. That's a record. We always have at least one storm. And we still have a few weeks left, but the season is getting short. We have not had an unstable country. And the fact that's scary with $94.53 oil is that now about 90 percent of the oil in the world, of known reserves, is not owned by companies, but is owned, produced, refined and marketed by dictator, unstable, unfriendly governments. So a majority of the energy in the world is controlled by unfriendly, dictator-type governments. And if one of those tips over and their 3 million barrel a day is disrupted, where will the price go?

I asked one of the large energy producers this week in my office, I said, what if we have a storm in the gulf? $120 oil in 2 days, a serious storm. And this company knows because they produce there; they produce about one-third of the gulf. What if a terrorist struck a sending port or a ship or a major pipeline or a major refinery? Where will energy prices be? These are all potentials.

And I have been predicting this, and I have energy experts tell me I'm probably not wrong, we will read in the paper one of these days where China has purchased the total supply of some country that normally sold us oil, and that oil will no longer be available to us.

And on gasoline, we don't produce enough in this country. We don't have enough refining capacity. Twenty percent of our gasoline comes from Europe because when they switched to diesel, they have excess gasoline capacity, so they sell us gasoline. And this spring, when we had abnormally high gasoline prices, we had 60-some-dollar oil and we had $3 gasoline. And I was shaking my head, what's going on here? That's not normal. But that's what was happening. And so I checked, and here Europe was short on gasoline. They didn't have enough to sell us. And so there was a shortage in the marketplace, and of course Wall Street ran it up, abnormally high prices.

Now, today, with $94.53 oil, or more than $90 all week, if that translated into a market gasoline price, we're probably talking somewhere between $3.39 a gallon for gasoline and $3.59 a gallon of gasoline, depending on where you're at in the country. That's a long ways above the $3 price that we're approaching right now. And that's going to come because 80-something-dollar oil will put us at $3.19, $3.29 gasoline; $90 oil is going to push us up into the mid $3. And it's just a matter of time because, at the end of the summer driving season, when we switch the refineries over to make it home heating oil, there was a little surplus of gasoline in the marketplace, and so it has held the price down. And when that burns off and there is none of that left, we will be paying a lot higher prices to drive our cars because the truck people, the fuel oil is already up there. It's already higher, much higher. And home heating oil is much higher. Those who didn't fill their tank early this year for home heating have missed that opportunity because those high prices are already there.

The question I ask, I was concerned, and there are those who I've talked with that know a lot more than I felt that $75 oil for any period of time would put America into a recession. Now, that didn't happen, because we've had higher than 75 now for quite a while. What figure can the American economy absorb and not go into recession? All of our recessions have been energy driven, almost all of them. I think maybe there was one that wasn't, one or two. Every time we've had a recession in this country, and they last for years, a lot of people lose their jobs, employment slips, tax revenues are down, the government doesn't have enough money to pay its bills, a lot of Americans are hurting, unemployment rates go up. What figure can America absorb and not have a recession? Well, I don't think we have any wiggle room. I don't personally think we can handle this for a very long period of time. I'm not the expert, but a lot of people agree with me.

And I want to tell you, it's almost guaranteed that this is not the ceiling. See, we don't have a spike here because of a Katrina, a country tipping over, or some terrorist attack in the supply line system. Things are kind of going along. Now, there is a lot of instability in the world, but there is always lots of instability in the Middle East, so those little tremors come and go. So, what price can the American economy absorb? I don't think much higher.

The other thing that we don't talk about is natural gas prices a lot because people don't realize that natural gas prices are not like oil. This is a world price. Natural gas prices are country by country. And for 6 years now America has had one of the highest natural gas prices in the world, and that puts all of the manufacturers in this country who use it for heat and who use it as an ingredient, and we will talk a little more about that later, are at a tremendous disadvantage because of our continued very high natural gas prices.

Yes, it wasn't very long ago, just 6 years, that we had $2 gas and $16 oil, and today, we have $94.53 oil. And our dependency is at 66 and will soon be 70. America should be concerned about that.

I remember people talking that, when oil was cheap and gas was cheap, use foreign oil. We will use theirs while it's cheap, and we will use ours when it's expensive. Well, theirs is expensive, but we're not using ours.

Here is the map that's interesting. These red circles are areas loaded with natural gas and oil, and they're off limits to production. We're the only country in the world that says our Outer Continental Shelf, that's around the edges, 85 percent of it, is not open to production. Canada produces there, Great Britain produces there, Norway, Sweden, Denmark, New Zealand, Australia. Now those are all environmentally sensitive countries; they all produce there. Norway has become a rich country because of their offshore oil finds.

And a lot of people talk about Brazil being energy independent because of ethanol. Ethanol was just a piece of the pie. Brazil also went offshore and produced their energy. America, for 26 years, a combination of Presidential and congressional moratoriums from producing energy on the Outer Continental Shelf, and many parts of the Midwest like this one are locked up, too. And the legislation that's coming before us will lock it up some more.

Now, I don't understand that. I don't understand where a six-inch hole in the ground with a steel casing producing oil or gas, and specifically clean natural gas, is a threat to our environment. All the studies show that offshore, the majority of the oil that's found is from leakage of ships or natural seeps, because when oil is under high pressure underground, it will find its way to the surface. In fact, I come from Titusville, Pennsylvania, the home of the first oil well, Drake Well. We're all very proud of that. It changed the world, it started the Industrial Revolution. It started the new transportation system. Oil that was transportable, refinable, and it developed this country into the power it is today.

And it has the potential today of making us a second-rate nation because we refuse to use our own energy and we're forcing ourselves to purchase from unstable, undependable countries around the world. And their $95 oil, they're going to own us.

We just heard people talking here about them buying our debt. Yeah. Because we're spending so much of our resources purchasing energy that we have, but we've locked it up. I just find it amazing.

Now we're going to look at the legislation that should be coming, but there doesn't seem to be any sense of urgency. This is sort of a compilation of the energy bills that have passed both the House and the Senate and have not been conferenced on.

Now, first what we're going to talk about is it locks up 9 trillion cubic feet of American natural gas. It cuts off production from the Roan Plateau, a huge clean natural gas field in Colorado that was set aside as a national oil reserve in 1912 because of its rich energy resources for our future. This means that 9 trillion cubic feet of natural gas, more than all the natural gas the OCS bill that passed last Congress was put off limits.

Roan Plateau has already gone through NEPA. That's the environmental assessment that says it's safe to do it, all done. It is ready for lease sale. The provision was not in the original bill when it came out of the

Resource Committee, but was added almost with no debate, no hearings, and no real serious discussion. Make sense? No.

The next part here locks up 18 percent of our Federal onshore production of American natural gas. It cuts the categoric exclusion provision. And I will explain that a little in my terms. I helped put that in in the 2005 energy bill.

Redundant NEPAs allowed the anti-energy people from allowing the Americans to produce energy. So, land would be leased in the West, mostly in the West, and 5 or 6 years later, after they purchased the rights to it, they still weren't producing it because they were required to do multiple NEPAs. They do a NEPA on the original plan. Then they have to do a NEPA for the road plan. Then they have to do a NEPA for every site. And then for putting in the production equipment, another NEPA. So year after year after year, a NEPA study takes about a year. So years later, they still didn't have any production.

And so we said that one NEPA that covers all the aspects of producing energy in that area should be done, and that should pass the test. And we shouldn't do redundant NEPAs. But now they want to go back.

It locks up, this is huge, the third one, 2 trillion barrels of American oil from western oil shale. Now, western oil shale, everybody knows, is a huge oil reserve, and the underground can be tricky. We have oil companies on some of the private land they own there trying to release this, and they think they have a way to do it. It is somewhat similar to the Canadian tar sands. The Canadian tar sands have been around since I was a kid. In fact, I have a neighbor who bought rights to them many, many years ago, and he's now laughing because everybody wants to buy them at huge prices. And I don't know whether he has sold them yet or not, but I was kind of stunned that he was smart enough 30, 40 years ago to buy tar sands in Canada as an investment. And today they're producing 1.5 million barrels a day there. It's just over the American border into Canada. And their goal is to be up to 4 to 5 million barrels a day down the road. And fortunately for America, most of that's coming here. Our biggest supplier of energy is Canada, our good friend.

Now, Canadians are a little frustrated with us because they produce their energy resources. They're offshore, they're onshore, they're tar sands, and we keep locking ours up. Thus, North America has the highest natural gas prices because of us. If we produced equal to Canada, North America would have reasonable natural gas prices, not the highest in the world. But they keep selling to us.

Now, this 2 trillion, this bill stops the leasing program for oil shale reserves on Federal lands that will hold enough oil to supply us for 228 years. Now, that's a study. If it's half that, if it's a third of that, it's huge, and it could eliminate our dependence on, and that's the only reserve that I know of, that if we learn how to release it, could eliminate our foreign dependence on energy. But that's the only way.

□ 2145

But that is the only way. This is more oil than the entire world has used since oil was discovered at Drake well in my district 150 years ago. Meanwhile, in China, they are busily developing their oil shale fields.

The next one here locks up 10 million barrels of oil from the National Petroleum Reserve in Alaska. That is, again, an area that was set aside for production, set aside in 1923 for production of future energy needs in America. Then the next one breaches legitimate legal offshore energy contracts, and I have had several of those companies come in to me and say, hey, this is a contract. If Congress changes that, we are going to win in the Supreme Court because Congress doesn't have the right. I am not saying I agree with these leases and how they were done. They were done in the Clinton administration, but we have this legislation coming that is going to override those. It won't work. It will just delay the process. I am hoping that we can continue to negotiate these leases and have them out of the way.

The next one is really foolhardy. There are a lot of Members of Congress who hate oil companies. This inflicts a $15 billion tax increase on the American oil and gas industry. Seventy-five to 80 percent of the energy in this country is not produced by Big Oil. It is produced by little companies. I have two refineries in my district who will now pay a higher tax than any other company in Pennsylvania if this bill becomes law because we are going to tax the production of energy with an added tax over any other business.

Now, when you are short on something, and the prices are high, if you want to get less of it and make the prices higher, the sure remedy is to tax it. Well, they are going to tax it. I am not going to, but they are going to tax it.

Now, the next one down here, I am a big proponent of offshore drilling, and I will talk about that later, but I am also a big proponent of using coal, to gasify it, to make electricity, and that is called clean coal, and make liquids out of it. Penn State has a process to make jet fuel out of coal. The Air Force is in the process of trying to figure out how to have 60 percent of their jet fuel available from nonimport sources. They are working with natural gas right now. They are doing other studies, too, but they are working with natural gas now. If they are successful, and they get 60 percent of their 3 billion gallon a day, they are going to inflate gas prices even more, which will make it harder to heat our homes. I will talk more about that later. But coal to liquids should be getting the same treatment as cellulytic ethanol. I am for cellulytic ethanol, and this administration is funding six plants. It is still in the test tube. We are still working at it in the university laboratories, but I am for building those plants and streamlining this process. I think one plant is going to try to make it out of garbage, another switchgrass, another cornstalks, another one is woody biomass, but we need to be doing all those things. But to be not having an equal emphasis on coal to liquids, I fault this administration, and I fault this Congress. Because that is the largest energy source we have. We need to figure out how to use it cleanly. We need to be developing, and again, curtail our dependence on foreign countries.

Now, we also have in the legislation a false expectation by mandating a 15 percent of renewables to make electricity. I wish that were doable. I would vote for it if it was. I didn't vote for that. I voted against that amendment. I fought against that amendment. We currently make 3 percent of electricity with renewables because they will not count hydro, only the new hydro, and there is not much new hydro coming down the line. So to go from 3 percent, they are going to allow cost savings of 4 percent, so that gets us to 7, but the growth of wind and solar is nowhere near enough in the next decade or two to get us to 15 percent.

Now, what we are going to do is we are going to force those companies to pay fines. Do you know who is going to pay the fines? The electric rate users. Some States will come close because they have a lot of wind, and there are States that have solar. But most States will not. It should be an incentive-type program. It should be a carrot, not a stick. We should be incentivizing renewables for electricity. But when you mandate 15 percent, and I have charts and graphs to show that. I don't have them with me tonight. But there is no way to get there in the time frame they are asking.

I am going to change charts here and talk just a little bit about current energy use in America. These don't change a lot. I have been watching them for a long time. Currently, petroleum is 40 percent of our energy needs, and 66 percent of it comes from foreign, unstable countries. That number is going to escalate if we lock up the Roan Plateau. It is going to escalate if we lock up shale oil. It is going to escalate if we tax energy production and make it more expensive. Natural gas is 23. Now, this is a growing figure. It is interesting because about 12 or 13 years ago now, Congress removed the prohibition of making electricity with gas. That is when gas ceased to be cheap. We have always had $1.80, $2 gas, and it would go up a little, down a little, maybe up to $3 a year, $3-½ or $4. I remember some of those years in the seventies when it was a lot more costly to heat our homes. But it would come

back to $2 or $1.80. It never went much above $2. Now, it is way above. It is $8 and something right now, and we are still not into the high season. The average price for the year is somewhere between 9 and 10, and then when you get transmission costs and storage costs, we, as consumers, are going to be paying $13, $14, $15 for gas.

I believe that clean, green natural gas is really our best hope. But we have to drill for it. And people in this Congress are just as much against drilling a gas well as they are against drilling an oil well. And I think they are wrong on both. But there is no good argument. There has never been a beach dirtied by a gas well. There has never been an environmental threat by a gas well. It is the cleanest fuel we have. There is no NO_X, no SO_X, and a third of the CO_2 if that is keeping you awake at night.

Now, coal is 23 percent. Coal has great potential for liquid or gas. But there is a real push around here against coal. I think it is a mistake. It is the one we have the most of. If we continue that, gas will be the winner, and gas prices will continue to rise. And if we continue to have the highest gas prices in the would, we just won't be a competitive country. Nuclear is at 8 percent. From the 2005 bill, we have a lot of companies going in for permits now. We need all 35 that are starting the process to be completed in a very short period of time if we don't want this figure to go down, because the energy electric use in this country is rising fast and nuclear is about 20 percent of it. But that figure will drop because nuclear has not grown. We haven't built a nuclear plant in a long time. The interesting part is, as we attempt to build nuclear plants, the shroud, which is the big steel casing that they use, we don't make them in America. The companies that are that far along in the permit process are buying them from Japan. I find that unfortunate, and someone told me an awful lot of the components are going to be purchased in Germany because we don't have the capacity because we have done so little with nuclear in the last decade.

Hydroelectric, a figure that continues to decline. Biomass is the fastest growing figure. That is wood waste. A lot of it is being used. There's a million Americans heating their homes with pellet stoves. That is compressed wood waste. We have power plants that are using it to top the coal load so that they can slide under the environmental standards because it burns a lot cleaner than coal. We have a lot of companies in the wood business and around where there is wood waste using it to heat their factories. Most of the dry kilns drying wood are now biomass burners. So biomass has just been sort of growing on its own because sawdust used to be a commodity. I remember in Pennsylvania when I was in State government, they were trying to make it a hazardous waste. I fought that because it is not a hazardous waste. And now it's a commodity that sells. People want it.

Geothermal, a nice way to heat your homes if you are not in zero climate. In a mild climate, it is a good exchange of using underground water, whether you have a loop system where you have a big piping system with water or whether you drill into the aquifers and use that water, you take heat out of it in the wintertime to warm your home, and you take cold out of it in the summertime to cool your home. But, again, it is an investment up front. I know people who have it. If they build a second home, they usually put it in unless they are in a high zero where there is a lot of cold weather. It has its limitations when the weather is zero.

Wind and solar, this is the part that I find scary. Too many Americans think that wind and solar are prepared to become major energy sources. You can see the numbers, 0.06, 0.12. If we double those numbers, they are still a pretty small fraction, and it will take years to do that. But, unfortunately, an awful lot of Americans want this group right here to be our major energy source. I wish there was a way to do that. There are an awful lot of Members of Congress who think petroleum, gas and coal are just evil and we shouldn't do any more production of it, and they won't vote for a bill to lease land. They won't vote for a bill to open up areas. Some of them are against nuclear. Some aren't. That is a mixed bag. But, folks, this is the major part of America's energy production. It is 94 percent of our energy production, nuclear, coal, gas and petroleum. And it will be a major part of our energy portfolio for a long time whether we like it or not because none of these are prepared to take over. I wish they were.

Now, there's a lot of creative things. But they are little niche players. They are little niche markets. They are not huge volumes. So it is important that Americans understand that whether we like it or not, fossil fuels are going to be our major energy source a lot longer than we want them. If we continue to not produce our own, then we are going to have to buy them from foreign countries.

Now, I want to talk about natural gas a little bit. This is America's gem. We have lots of natural gas. And I find it astounding that so many Members of Congress and three administrations in a row have locked up our Outer Continental Shelf, which has huge reserves of clean, green natural gas. I don't understand it. I don't know what they are thinking about. I don't know what their hopes are or dreams are, because, folks, we can't afford to continue to do that. Natural gas is a far more bigger part of our life than most people realize. Now, you see all of these products here. They are all made with natural gas. Not only as a heat source, but as an ingredient. Somewhere here you will find soaps and skin lotions and skin softeners. Yes, ladies, the skin softeners that you love and we all like that keep our skin soft are a direct derivative of natural gas stock. Polyurethane, plastics, petrochemicals, fertilizer, all made, fertilizer that we grow corn with to produce ethanol, 70 percent of the cost is natural gas. It is the reason in how we make all of these products. And yet we lock it up and treat it like it is something evil. I just plain don't understand that.

We have a bill that opens up the Outer Continental Shelf. Now, we are only doing it for natural gas. I think it should be for both because every other part of the world produces both. But I have not been able to get natural gas here. Now, we passed a good bill last session in the House that opened up gas and oil both. But we didn't get any action in the Senate. So we are going at it cautiously this time, just natural gas. This bill is very States' rights oriented. We will lock up the first 25 miles, can't produce it, that is out of sight. Eleven miles is sight line. The second 25 miles, States have a right to open up if they want to just by passing a State law. We will repeal the moratorium, but it doesn't repeal unless the States pass a bill. Now, the second 50 miles will be open unless the State passes a law and this gives States rights for 100 miles to close it. Now, this is much more conservative than I would like, but we are trying to get some natural gas for America to stop a calamity of starving our industry and our homeowners from affordable natural gas. Now, the second 100 miles would be open, period.

□ 2200

Those who produce natural gas say this would help immensely because clean, green natural gas can be our bridge to renewables. To make ethanol, we use a huge amount of natural gas. If we go to a hydrogen society, the only good way right now of making hydrogen quickly is natural gas. Natural gas is used to make biodiesel. Natural gas heats 50 some percent of our homes; 58 percent, I believe. It runs our major industries. It's the major feedstock for the polymers and plastic and fertilizer and petrochemical. We use huge amounts of it to make bricks and glass and steel and aluminum and to bend metal and to treat products, heat-treat things.

In my district, we have the powdered metal industry. They use huge amounts of natural gas to make that new powdered metal product that has brought the price of cars and vehicles and all kinds of moving parts down because it's so much less expensive than the old machining and forging of parts. Powdered metals. But they heat treat it with clean, green natural gas.

Natural gas is the fuel that should bridge us to where some kind of new energy, whether when we learn how to release hydrogen from water and then learn how to transport hydrogen safely, it takes years to develop all of the facets of an industry so that it becomes

our stable fuel source of the future. We need to be doing everything we can do in America for renewables. But we need to have adequate fossil fuels, and, specifically, natural gas.

Now, my bill rewards some people. The States would get up to $150 billion in royalties because States would get 30 some percent. There would be $100 billion left over in the Treasury of money we wouldn't have to pay in taxes because we could get the royalty off the gas, not oil. Now we have some cleanup funds here that I think are pretty unique: $32 billion for renewable energy research. That is real money to allow us to develop the fuels of the future. We have $32 billion for carbon capture and sequestration research so we can learn how to take the CO_2 from coal plants and the CO_2 from any fuel we burn and utilize it somehow, or sequester it. We have $20 billion to clean up the Chesapeake Bay, exactly what they need; $20 billion for the Great Lakes restoration, exactly what their program needs; $12 billion for the Everglades restoration; $12 billion for the Colorado River basin restoration; $12 billion for the San Francisco Bay restoration; and $10 million for LIHEAP and weatherization to help the poorest among us make their homes energy efficient and make energy affordable by helping pay their energy bills.

America is at a crossroads. We have been the big giant of a Nation, the powerful Nation all of our lifetimes. You know, it makes me sad to think that this Congress and administrations were unwilling to in totality agree and deal with the energy issue, making sure that America has available, affordable energy. Folks, that's doable.

I know there are people who talk on this floor about energy independence. That is really not doable. The only way we can be energy independent is if we got oil from the shale rock in large quantities over a period of time and where we no longer had to import oil. We import 17 percent of our natural gas today. If we opened up the gas field, we wouldn't need to import any. We would have lots of gas.

This is an interesting point about natural gas. We could fuel a third of our auto fleet. One of the problems with using gas in a vehicle is you can't go as far. You can't put a big enough tank in there. But we have lots of vehicles that don't go anywhere. We have all the service vehicles that are out servicing our homes, whether they are heating contractors or air conditioning contractors or lawn services, they could fuel up every night. In fact, they are developing ways you can fuel up from your gas line in your house if you have gas in your home. They are working on a way to fuel a car.

Every construction vehicle could be on natural gas because they already are fueled by a truck that comes up to the construction site and fills up the tractors and fills up the Caterpillars and all the heavy equipment and the trucks. Every taxicab could be on natural gas because they don't go big distances. Every school bus, every local person who doesn't drive a long distance could fuel their vehicle with clean, green natural gas.

If we opened up the gas fields that are really available to us, it could be a whole lot cheaper than oil. A whole lot cheaper and a whole lot cleaner. No knocks, a third of the CO_2. I don't understand why we haven't embraced natural gas as our bridge fuel to the future, as I said previously.

But, folks, America better think very seriously in the weeks ahead. We don't have a long time to wait. Energy prices are going to continue to skyrocket because we are competing the whole world for the energy because we are buying it from them. If we produced our own, we don't have to worry about that.

I understand the complacency when it was $2 for gas and $10 for oil and it was so cheap. But, folks, it's not cheap today and it is never going to be cheap again. Now we do need to use less, we do need to conserve, we do need to keep continuing to research how to produce things with less fuel, heat our homes more efficiently, make them more energy efficient. We, in the meantime, need a strong, viable source of energy for America, and clean green, natural gas is the bridge to our future.

I hope and pray that this Congress will suddenly get a sense of urgency about the energy problems in this country.

Mr. Speaker, $94.53 oil should scare us into movement. We should have fear in our hearts, because this isn't the ceiling, as I started out at the beginning. There is no storm in the Gulf, no countries tipped over, no terrorist threat that has taken out supply. If they all happened simultaneously, only God knows what energy would be. It is imperative. Congress is the reason we have high energy prices, because they have locked it up.

There is also a lot in Alaska. There are huge reserves in Alaska that are not shown on this map. Congress has locked up this energy and three administrations have supported the moratorium for twenty-six years.

We are the only country in the world to lock up our own resources and force ourselves to buy from unstable countries who will own us. They are going to have the resources to literally buy every good, profitable business in this country. They are going to buy whatever they want to, because we are going to be forced to sell it to them, because when you are paying $95.43 for a barrel of oil that it costs them a dollar or two to lift in their country, they have nothing but riches.

Americans are going to have nothing but tragic situations, where our businesses can no longer afford to be here. We won't manufacture anything in this country of substance, and Americans will struggle to heat their homes and afford to travel around this beautiful land.

Energy affordability, available, affordable energy for America, should be the cry of this Congress. And if this Congress doesn't do that, if the energy bills when they come out that the House and Senate have now are not altered and talk about opening up energy, about increasing supply, that is the only thing that brings down prices.

Folks, we need to conserve, but we can't conserve our way out of this problem. As a country, we are demanding more energy every day as we grow, as our number of people grow, as the number of people that drive cars grows, as our population grows.

Folks, available, affordable energy is the issue that can bring this great country down to where it is a second-rate nation. I don't want that to happen, and I hope Americans will push their Congress Members into making available, affordable energy the number one issue in this Congress before we adjourn the 110th Congress, and that we deal with this issue, because we can deal with it.

This is an issue we can change. It won't change quickly, but we can make a lot of right moves. We can deal with all of the different forms of energy. We can open up supply for gas and oil. We can do coal-to-liquids, coal-to-gas. We can give nuclear another push. We can promote all the renewables and look for new transportation fuels to blend with our current fuels.

Ethanol has potential. Corn ethanol has limited potential, but there are problems with it. The biggest problem with ethanol, and I am not against it because it is made out of American products, but it is competing with our food supply. And ethanol does not go in the pipeline. The majority of our gas stations deliver by pipelines, and you can't put it in the pipeline. Already, with the ethanol plants we have, we have distribution problems, because you need a blending station to blend it and then need to haul it by truck or trailer. That is a system not in place adequately around the country.

We have as many ethanol plants under construction as we have producing ethanol today. I am not saying that is bad, but it is not a situation without problems and great challenges. Ethanol takes a tremendous amount of natural gas to make it. In Pennsylvania they are talking of doing a couple plants with coal. Many States would reject that. I commend the Pennsylvania government for going in that direction, using waste coal to make it so it doesn't further strain our natural gas supply.

But as we look at this map and think about Alaska, America can be far more self-sufficient with available, affordable energy if we just have the desire and the willingness to produce more of our own. I believe we must if we want to compete in the global economy.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ALEXANDER (at the request of Mr. BOEHNER) for today and the balance of the week on account of personal reasons.

Mr. RYAN of Wisconsin (at the request of Mr. BOEHNER) for today after 3 p.m. on account of family reasons.

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 Mrs. MCCARTHY of New York) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mrs. MCCARTHY of New York, for 5 minutes, today.

Mr. DEFAZIO, for 5 minutes, today.

Mr. MURPHY of Connecticut, for 5 minutes, today.

Ms. WATERS, for 5 minutes, today.

Ms. VELÁZQUEZ, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Ms. FOXX) to revise and extend their remarks and include extraneous material:)

Mr. POE, for 5 minutes, November 7.

Mr. JONES of North Carolina, for 5 minutes, November 7.

Mr. MORAN of Kansas, for 5 minutes, November 5.

Mr. MCCOTTER, for 5 minutes, November 1.

Mr. ENGLISH of Pennsylvania, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HALL of New York, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 294. An act to reauthorize Amtrak, and for other purposes; to the Committee on Transportation and Infrastructure.

S. 2198. An act to require the Architect of the Capitol to permit the acknowledgment of God on flag certificates; to the Committee on House Administration.

S. 2265. An act to extend the existing provisions regarding the eligibility for essential air service subsidies through fiscal year 2008; to the Committee on Transportation and Infrastructure.

BILLS PRESENTED TO THE PRESIDENT

Lorraine C. Miller, Clerk of the House reports that on October 25, 2007 she presented to the President of the United States, for his approval, the following bills:

H.R. 327. Joshua Omvig Veterans Suicide Prevention Act.

H.R. 995. To amend Public Law 106–348 to extend the authorization for establishing a memorial in the District of Columbia or its environs to honor veterans who became disabled while serving in the Armed Forces of the United States.

H.R. 1284. Veterans' Compensation Cost-of-Living Adjustment Act of 2007.

H.R. 3233. To designate the facility of the United States Postal Service located at Highway 49 South in Piney Woods, Mississippi, as the ''Laurence C. and Grace M. Jones Post Office Building''.

Lorraine C. Miller, Clerk of the House reports that on October 30, 2007 she presented to the President of the United States, for his approval, the following bills:

H.R. 3678. Internet Tax Freedom Act Amendments Act of 2007.

ADJOURNMENT

Mr. PETERSON of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 12 minutes p.m.), the House adjourned until tomorrow, Thursday, November 1, 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:

3942. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Special Local Regulations for Marine Events; Spa Creek and Severn River, Annapolis, MD [Docket No. CGD05-07-063] (RIN: 1625-AA08) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3943. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Safety Zone; Winnetka Fireworks, Lake Michigan, Winnetka, IL. [CGD09-06-116] (RIN: 1625-AA00) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3944. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Security Zone; M/V Odyssey III, Global Air Chiefs Conference, Upper Potomac River, Washington, DC [Docket No. CGD05-07-080] (RIN: 1625-AA87) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3945. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Security Zones; Escorted Vessels in the Captain of the Port Jacksonville Zone [COTP JACKSONVILLE 07-163] (RIN: 1625-AA87) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3946. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Security Zones; Major League Baseball All-Star Game, San Francisco Bay, CA [COTP San Francisco Bay 07-012] (RIN: 1625-AA87) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3947. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Drawbridge Operation Regulations; Amendments [USCG-2001-10881] (RIN: 1625-AA36) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3948. A letter from the Attorney, Department of Homeland Security, transmitting the Department's final rule — Vessel Documentation: Lease Financing for Vessels Engaged in the Coastwise Trade [USCG-2005-20258] (RIN: 1625-AA95) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3949. A letter from the Chief, Regulations and Administrative Law, Department of Homeland Security, transmitting the Department's final rule — Transportation Worker Identification Credential (TWIC) Implementation in the Maritime Sector; Hazardous Materials Endorsement for a Commercial Driver's License [Docket Nos. TSA-2006-24191; USCG-2006-24196] (RIN: 1652-AA41) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3950. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Revision of Class E Airspace; Red Dog, AK [Docket No. FAA-2006-26396; Airspace Docket No. 06-AAL-40] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3951. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Philipsburg, KS [Docket No. FAA-2006-25943; Airspace Docket No. 06-ACE-13] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3952. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Thedford, NE [Docket No. FAA-2006-25942; Airspace Docket No. 06-ACE-12] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3953. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Establishment of Class E5 Airspace; Potosi, MO [Docket No. FAA-2006-25944; Airspace Docket No. 06-ACE-14] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3954. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Peru, IL [Docket No. FAA-2007-27110; Airspace Docket No. 07-AGL-1] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3955. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Creston, IA [Docket No. FAA-2006-25941; Airspace Docket No. 06-ACE-11] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3956. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Modification of Class E Airspace; Hayward, WI

[Docket No. FAA-2006-25436; Airspace Docket No. 06-AGL-5] received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3957. A letter from the Assistant Chief Counsel for Hazardous Materials Safety, PHMSA, Department of Transportation, transmitting the Department's final rule — Hazardous Materials Regulations: Transportation of Compressed Oxygen, Other Oxidizing Gases and Chemical Oxygen Generators on Aircraft [Docket No. RSPA-04-17664 (HM-224B)] (RIN: 2137-AD33) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3958. A letter from the Senior Counsel for Dispute Resolution, OST, Department of Transportation, transmitting the Department's final rule — Standard Time Zone Boundary in Southwest Indiana [OST Docket No. 2007-28746] (RIN: 2105-AD71) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3959. A letter from the Paralegal, FTA, Department of Transportation, transmitting the Department's final rule — Buy America Requirements; End Product Analysis and Waiver Procedures [Docket No. FTA-2005-23082] (RIN: 2132-AA90) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3960. A letter from the FMSCA Regulatory Ombudsman, Department of Transportation, transmitting the Department's final rule — Amendments To Implement Certain Provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (RIN: 2126-AA96) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3961. A letter from the Acting Regulations Officer, FHWA, Department of Transportation, transmitting the Department's final rule — Crash Test Laboratory Requirements for FHWA Roadside Safety Hardware Acceptance [FHWA Docket No. FHWA-2006-26501] (RIN: 2125-AF21) received October 1, 2007, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

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. LANTOS: Committee on Foreign Affairs. H.R. 3890. A bill to amend the Burmese Freedom and Democracy Act of 2003 to waive the requirement for annual renewal resolutions relating to import sanctions, impose import sanctions on Burmese gemstones, expand the number of individuals against whom the visa ban is applicable, expand the blocking of assets and other prohibited activities, and for other purposes; with an amendment (Rept. 110–418 Pt. 1). Ordered to be printed.

Mr. FRANK: Committee on Financial Services. H.R. 3355. A bill to ensure the availability and affordability of homeowners' insurance coverage for catastrophic events, with an amendment (Rept. 110–419). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII, the Committee on the Judiciary discharged from further consideration of H.R. 3890.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following aciton was taken by the Speaker:

H.R. 3890. Referral to the Committee on Ways and Means extended for a period ending not later than November 16, 2007.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. ROYBAL-ALLARD (for herself and Mr. POE):

H.R. 4014. A bill to prohibit discrimination in insurance coverage to victims of domestic violence, dating violence, sexual assault, or stalking; to the Committee on Financial Services, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. ROYBAL-ALLARD (for herself and Mr. POE):

H.R. 4015. A bill to provide job protection for victims of domestic violence, dating violence, sexual assault, or stalking; to the Committee on Education and Labor, and in addition to the Committees on Oversight and Government Reform, the Judiciary, and House Administration, 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 Ms. ROYBAL-ALLARD (for herself and Mr. POE):

H.R. 4016. A bill to provide unemployment insurance to those who are separated from their employment as a result of domestic violence, dating violence, sexual assault, or stalking; to the Committee on Ways and Means.

By Mr. BILBRAY (for himself, Mrs. DAVIS of California, Mr. ROHRABACHER, Mr. TOWNS, Mr. HUNTER, Mr. ISSA, and Mr. CAMPBELL of California):

H.R. 4017. A bill to authorize the Secretary of the Treasury to provide that, in the case of leave-based donation programs with respect to the California wildfires, cash payments made by employers to qualifying charities in exchange for forgone employee leave will not be treated as income to participating employees and will be deductible by the employers as business expenses or charitable contributions; to the Committee on Ways and Means.

By Mr. PORTER (for himself and Mr. HELLER):

H.R. 4018. A bill to authorize the conveyance of certain parcels of public land in Clark County, Nevada, to the City of Mesquite, Nevada, and the Virgin Valley Water District, and for other purposes; to the Committee on Natural Resources.

By Mr. BACA:

H.R. 4019. A bill to amend the Truth in Lending Act to enhance disclosure of the terms of home mortgage loans, and for other purposes; to the Committee on Financial Services.

By Ms. JACKSON-LEE of Texas (for herself, Mr. FILNER, and Mr. HASTINGS of Florida):

H.R. 4020. A bill to recognize the extraordinary performance of the Armed Forces in achieving the military objectives of the United States in Iraq, to encourage the President to issue a proclamation calling upon the people of the United States to observe a national day of celebration commemorating military success in Iraq, and for other purposes; to the Committee on Armed Services, and in addition to the Committees on Foreign Affairs, and Veterans' Affairs, 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. FILNER:

H.R. 4021. A bill to authorize Federal payment to emergency ambulance and medical services providers for the cost of uncompensated care of aliens aided by the border patrol or other Federal immigration officials; to the Committee on Energy and Commerce.

By Mr. FILNER:

H.R. 4022. A bill to amend the Immigration and Nationality Act to restore certain provisions relating to the definition of aggravated felony and other provisions as they were before the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996; to the Committee on the Judiciary.

By Mr. FILNER (for himself, Mr. TIM MURPHY of Pennsylvania, and Mr. LATOURETTE):

H.R. 4023. A bill to amend title 38, United States Code, to improve the collective bargaining rights and procedures for review of adverse actions of certain employees of the Department of Veterans Affairs, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BOOZMAN:

H.R. 4024. A bill to amend title 10, United States Code, to increase the number of outpatient visits for mental health care that do not require preauthorization for dependents of certain members of the Armed Forces; to the Committee on Armed Services.

By Mrs. BOYDA of Kansas (for herself, Mr. TIAHRT, Mr. MORAN of Kansas, Mr. MOORE of Kansas, and Mr. BOSWELL):

H.R. 4025. A bill to amend the Surface Mining Control and Reclamation Act of 1977 to clarify the minimum distribution under that Act to certain States and Indian tribes; to the Committee on Natural Resources.

By Mr. ELLISON (for himself, Mr. CONYERS, Mr. LEWIS of Georgia, Mr. MCDERMOTT, Ms. SCHAKOWSKY, Ms. MOORE of Wisconsin, Ms. LEE, Mr. SCOTT of Virginia, Mr. WATT, Mr. JOHNSON of Georgia, Ms. MCCOLLUM of Minnesota, Mr. NADLER, Mr. JACKSON of Illinois, Ms. WATERS, and Mr. KUCINICH):

H.R. 4026. A bill to prohibit election officials from requiring an individual to provide a photo identification as a condition for voting in an election for Federal office; to the Committee on House Administration.

By Mr. HASTINGS of Washington:

H.R. 4027. A bill to amend the Native American Graves Protection and Repatriation Act so that it will be interpreted in accordance with the original intent of Congress to require a significant relationship be found between remains discovered on Federal lands and presently existing Native American tribes for those remains to be applicable under the Native American Graves Protection and Repatriation Act; to the Committee on Natural Resources.

By Ms. HERSETH SANDLIN:

H.R. 4028. A bill to reauthorize the Mni Wiconi Rural Water Supply Project; to the Committee on Natural Resources.

By Mr. HOLT (for himself, Mr. EMANUEL, Ms. GIFFORDS, Mr. CARNEY, Ms. SHEA-PORTER, Mr. HALL of New York, Mr. PERLMUTTER, Mr. LAMPSON, Mr. RODRIGUEZ, Mr. VAN HOLLEN, Ms. BERKLEY, Mr. SESTAK, and Mr. COURTNEY):

H.R. 4029. A bill to amend the Internal Revenue Code of 1986 to provide an additional standard deduction for real property taxes for nonitemizers; to the Committee on Ways and Means.

By Ms. HOOLEY (for herself, Ms. SOLIS, and Mr. MARKEY):

H.R. 4030. A bill to prohibit the manufacture, sale, or distribution in commerce of certain children's products and child care articles that contain phthalates; to the Committee on Energy and Commerce.

By Mr. KING of New York:

H.R. 4031. A bill to establish a United States Boxing Commission to administer the Act, and for other purposes; to the Committee on Education and Labor, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MCHENRY:

H.R. 4032. A bill to reduce temporarily the duty on PHBA; to the Committee on Ways and Means.

By Ms. NORTON:

H.R. 4033. A bill to authorize the Secretary of the Interior to enter into a long-term ground lease for the operation and maintenance of Rock Creek, Langston, and East Potomac as golf courses, and for other purposes; to the Committee on Natural Resources.

By Mr. PEARCE:

H.R. 4034. A bill to provide for a land exchange involving State land and Bureau of Land Management land in Chaves and Dona Ana Counties, New Mexico, and to establish the Lesser Prairie Chicken National Habitat Preservation Area, and for other purposes; to the Committee on Natural Resources.

By Mr. PETRI:

H.R. 4035. A bill to study, pilot, and implement a comprehensive, structural, market-based reform to the Federal Family Education Loan Program to reduce costs to taxpayers and improve program efficiency; to the Committee on Education and Labor.

By Mr. ROSKAM (for himself and Mr. CASTLE):

H.R. 4036. A bill to amend title 31, United States Code, to save the American taxpayers money by immediately altering the metallic composition of the 1-cent coin, to require a prompt review and report, with recommendations, for cost-saving changes in the metallic content of other circulating United States coins, and for other purposes; to the Committee on Financial Services.

By Mr. HIGGINS (for himself and Ms. KAPTUR):

H.J. Res. 61. A joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections; to the Committee on the Judiciary.

By Mr. GENE GREEN of Texas (for himself, Mr. CONAWAY, Mr. ARCURI, Ms. BEAN, Mr. BERRY, Mr. BONNER, Mr. BOOZMAN, Mr. BROWN of South Carolina, Mr. CAMP of Michigan, Mr. CARDOZA, Mr. CARTER, Mr. CHABOT, Mr. COLE of Oklahoma, Mr. CRENSHAW, Mr. DAVIS of Kentucky, Mr. DENT, Mr. ELLSWORTH, Mrs. EMERSON, Mr. GARRETT of New Jersey, Mr. GOODE, Ms. GRANGER, Mr. GRAVES, Mr. AL GREEN of Texas, Mr. HOEKSTRA, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. JONES of North Carolina, Mr. KIND, Mr. KINGSTON, Mr. LAMPSON, Mr. MANZULLO, Mr. MCHENRY, Mr. MOORE of Kansas, Mr. MURPHY of Connecticut, Mr. NEUGEBAUER, Mr. ORTIZ, Mr. PEARCE, Mr. PENCE, Mr. POE, Mr. POMEROY, Mr. RAHALL, Mr. RAMSTAD, Mr. ROGERS of Alabama, Mr. ROGERS of Michigan, Mr. RUPPERSBERGER, Mr. RYAN of Ohio, Mr. SESSIONS, Mr. SHULER, Mr. SHUSTER, Mr. SOUDER, Mr. TURNER, Mr. WICKER, Mr. WILSON of South Carolina, and Mr. WYNN):

H. Con. Res. 244. Concurrent resolution supporting the Local Radio Freedom Act; to the Committee on the Judiciary.

By Mr. GINGREY (for himself, Mr. HUNTER, Mr. BUYER, Mr. LEWIS of California, Mr. WICKER, Mr. BLUNT, Mr. GERLACH, Mr. CHABOT, Mr. BURTON of Indiana, Mr. FEENEY, Mr. BROUN of Georgia, Mr. MCKEON, Mr. BILIRAKIS, Mr. BUCHANAN, Mr. DAVID DAVIS of Tennessee, Mr. FRANKS of Arizona, Mrs. DRAKE, Mr. GARRETT of New Jersey, Mr. POE, Mr. JONES of North Carolina, Mr. BISHOP of Utah, Mr. BONNER, Mr. WALBERG, Mr. BILBRAY, Mr. KING of Iowa, Mr. WAMP, Mr. PEARCE, Mr. ENGLISH of Pennsylvania, Mr. BOOZMAN, Mr. MCCOTTER, Mr. KUHL of New York, Mr. HULSHOF, Mr. PETERSON of Pennsylvania, and Mr. AKIN):

H. Res. 786. A resolution amending the Rules of the House of Representatives to require that general appropriations for military construction and veterans' affairs be considered as stand-alone measures; to the Committee on Rules.

By Mr. CLYBURN (for himself, Mr. BARRETT of South Carolina, Mr. BISHOP of Georgia, Mr. BROWN of South Carolina, Mr. BUTTERFIELD, Mr. CAPUANO, Ms. CASTOR, Mr. CHANDLER, Mrs. CHRISTENSEN, Ms. CLARKE, Mr. CLAY, Mr. CLEAVER, Mr. COBLE, Mr. COHEN, Mr. COOPER, Mr. COSTA, Mr. COSTELLO, Mr. COURTNEY, Mr. CUELLAR, Mr. DAVIS of Illinois, Mr. LINCOLN DAVIS of Tennessee, Mrs. DAVIS of California, Ms. DEGETTE, Mr. DINGELL, Mr. ELLSWORTH, Mr. EMANUEL, Mr. ENGEL, Mr. ETHERIDGE, Mr. FILNER, Mr. GONZALEZ, Mr. AL GREEN of Texas, Mr. GENE GREEN of Texas, Mr. GRIJALVA, Ms. HARMAN, Mr. HAYES, Mr. HIGGINS, Mr. HINCHEY, Mr. HINOJOSA, Mr. HOLT, Ms. HOOLEY, Mr. INGLIS of South Carolina, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Mr. JOHNSON of Georgia, Mrs. JONES of Ohio, Ms. KAPTUR, Mr. KENNEDY, Mr. KIND, Mr. PAYNE, Mr. RYAN of Ohio, Mr. SALAZAR, Ms. LINDA T. SÁNCHEZ of California, Mr. SARBANES, Mr. SPRATT, Mr. TOWNS, Ms. WASSERMAN SCHULTZ, Mr. WATT, Mr. WILSON of South Carolina, Mr. WYNN, Ms. ESHOO, and Ms. HIRONO):

H. Res. 787. A resolution expressing the support and sympathy of the House of Representatives and the people of the United States for the victims of the tragic fire that occurred in Ocean Isle Beach, North Carolina, on October 28, 2007; to the Committee on Oversight and Government Reform.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. FILNER:

H.R. 4037. A bill for the relief of Francisco Rivera and Alfonso Calderon; to the Committee on the Judiciary.

By Mr. FILNER:

H.R. 4038. A bill for the relief of Adrian Rodriguez; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. Fattah.
H.R. 39: Mr. KIND.
H.R. 89: Mr. WHITFIELD.
H.R. 139: Mr. NEUGEBAUER.
H.R. 160: Mr. PATRICK MURPHY of Pennsylvania.
H.R. 538: Mr. GRIJALVA.
H.R. 699: Mr. CONAWAY.
H.R. 715: Mr. HARE and Mr. AL GREEN of Texas.
H.R. 819: Mr. MURPHY of Connecticut.
H.R. 866: Mr. NEUGEBAUER and Mr. SMITH of Nebraska.
H.R. 971: Mr. ENGLISH of Pennsylvania and Mr. MCNERNEY.
H.R. 1008: Ms. HERSETH SANDLIN.
H.R. 1014: Mr. PICKERING and Mr. ELLSWORTH.
H.R. 1064: Mr. LATOURETTE.
H.R. 1070: Mrs. MCCARTHY of New York.
H.R. 1076: Mr. BUTTERFIELD.
H.R. 1078: Mr. HARE.
H.R. 1102: Ms. PRYCE of Ohio.
H.R. 1127: Mr. KLINE of Minnesota.
H.R. 1198: Mr. ISRAEL, Mr. BOUCHER, Mr. KNOLLENBERG, and Mr. SERRANO.
H.R. 1279: Mr. HINOJOSA and Ms. SHEA-PORTER.
H.R. 1295: Mr. BURTON of Indiana.
H.R. 1352: Ms. DEGETTE.
H.R. 1354: Ms. SLAUGHTER.
H.R. 1355: Mr. GOODE.
H.R. 1363: Mr. HALL of New York and Mr. ALTMIRE.
H.R. 1399: Mrs. WILSON of New Mexico.
H.R. 1459: Mr. COLE of Oklahoma.
H.R. 1512: Mr. MORAN of Virginia.
H.R. 1553: Mr. DOGGETT and Mr. COLE of Oklahoma.
H.R. 1609: Ms. ROYBAL-ALLARD, Mrs. BOYDA of Kansas, Mr. BURTON of Indiana, Mr. MAHONEY of Florida, and Mr. RANGEL.
H.R. 1726: Mr. HOLT.
H.R. 1738: Mr. SESSIONS.
H.R. 1845: Mr. KING of New York and Mr. WHITFIELD.
H.R. 1927: Mr. SAXTON.
H.R. 1937: Mr. COLE of Oklahoma and Mr. DAVID DAVIS of Tennessee.
H.R. 1940: Mr. TAYLOR.
H.R. 1951: Mr. HILL.
H.R. 1969: Mr. WEXLER.
H.R. 1971: Mr. UDALL of New Mexico.
H.R. 2032: Mr. LYNCH.
H.R. 2049: Mr. MICHAUD.
H.R. 2075: Mr. WILSON of Ohio and Mr. RYAN of Ohio.
H.R. 2125. Mr. PERLMUTTER.
H.R. 2160: Mr. BISHOP of New York.
H.R. 2236: Mrs. CAPPS.
H.R. 2265: Mr. LANGEVIN.
H.R. 2307: Ms. CASTOR.
H.R. 2320: Mr. HASTINGS of Florida.
H.R. 2327: Ms. DELAURO.
H.R. 2392: Mr. WYNN.
H.R. 2477: Mr. RYAN of Ohio.
H.R. 2489: Ms. WATERS, Mr. ISRAEL, Mr. SESTAK, Mr. DANIEL E. LUNGREN of California, and Ms. JACKSON-LEE of Texas.
H.R. 2604: Ms. WOOLSEY.
H.R. 2702: Mr. WEXLER.
H.R. 2711: Mr. ALEXANDER.
H.R. 2744: Mr. KILDEE, Mr. SHULER, Mr. PATRICK MURPHY of Pennsylvania, Mr. ALLEN, and Mr. OBERSTAR.
H.R. 2842: Mr. HARE.
H.R. 2857: Mr. ANDREWS.
H.R. 2880: Mr. MARKEY.
H.R. 2910: Mr. LANGEVIN and Mr. CARNAHAN.
H.R. 2933: Mr. BOUSTANY and Mr. HOLDEN.
H.R. 2994: Ms. ZOE LOFGREN of California and Mr. GENE GREEN of Texas.

H.R. 3010: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BAIRD, Mr. HIGGINS, Mr. KANJORSKI, Ms. CARSON, Ms. DEGETTE, and Mr. DUNCAN.

H.R. 3016: Mr. ALLEN and Mr. LEWIS of Georgia.

H.R. 3053: Mr. GENE GREEN of Texas.

H.R. 3058: Mr. HINOJOSA and Mr. MCNERNEY.

H.R. 3099: Mr. DAVID DAVIS of Tennessee and Mr. LANGEVIN.

H.R. 3132: Ms. SCHAKOWSKY.

H.R. 3140: Mr. MEEKS of New York, Mr. SMITH of Nebraska, Mr. MURTHA, Mr. MCINTYRE, Mr. ABERCROMBIE, and Mr. MCHUGH.

H.R. 3145: Mr. ALEXANDER.

H.R. 3168: Mr. PAYNE.

H.R. 3191: Mr. SHULER and Ms. GIFFORDS.

H.R. 3195: Mr. YARMUTH, Mr. LIPINSKI and Mr. GONZALEZ.

H.R. 3256: Mrs. NAPOLITANO and Mr. ENGLISH of Pennsylvania.

H.R. 3257: Mr. MCNERNEY.

H.R. 3273: Mr. SESTAK.

H.R. 3326: Mr. JEFFERSON.

H.R. 3331: Mr. BAIRD.

H.R. 3355: Mr. KENNEDY.

H.R. 3372: Mr. GUTIERREZ and Mr. BOUCHER.

H.R. 3374: Ms. KAPTUR.

H.R. 3453: Mr. FILNER.

H.R. 3461: Ms. HERSETH SANDLIN, Mrs. MCCARTHY of New York, Mr. DOYLE, and Ms. BERKLEY.

H.R. 3495: Mr. DUNCAN.

H.R. 3508: Mr. SOUDER, Mr. MILLER of Florida, Mr. KING of Iowa, Mr. BURTON of Indiana, Mr. MARIO DIAZ-BALART of Florida, Mr. BARTON of Texas, and Mr. CONAWAY.

H.R. 3513: Mr. BLUMENAUER.

H.R. 3533: Mr. CRAMER and Mr. MCHENRY.

H.R. 3544: Mr. RUSH, Mr. LATOURETTE, and Mr. MARKEY.

H.R. 3547: Mr. FARR.

H.R. 3548: Mr. BOSWELL.

H.R. 3558: Mr. HARE and Mr. SOUDER.

H.R. 3577: Mr. REHBERG.

H.R. 3582: Mr. HARE and Mr. PAYNE.

H.R. 3605: Ms. ROYBAL-ALLARD.

H.R. 3645: Mr. FILNER.

H.R. 3660: Mr. LATHAM and Mr. WALZ of Minnesota.

H.R. 3691: Mr. GUTIERREZ, Mr. KANJORSKI, Mr. LEVIN, and Mr. HOLT.

H.R. 3700: Mr. GORDON and Mr. MCHUGH.

H.R. 3738: Mr. BROUN of Georgia and Mr. ROSKAM.

H.R. 3774: Mr. HINOJOSA.

H.R. 3779: Mr. MANZULLO.

H.R. 3781: Mr. MCDERMOTT.

H.R. 3782: Mr. PAYNE.

H.R. 3783: Mr. SCHIFF and Ms. DELAURO.

H.R. 3793: Mr. SCHIFF, Ms. SLAUGHTER, Mr. HINOJOSA, Mr. KAGEN, Ms. GIFFORDS, Mr. SPACE, Ms. SCHAKOWSKY, Mr. BOREN, Mr. JEFFERSON, Mr. DAVIS of Alabama, Mr. HELLER, Mr. FILNER, Mr. DAVID DAVIS of Tennessee, and Mr. ROSS.

H.R. 3797: Mr. GILCHREST, Mr. FILNER, Mr. COSTA, and Mr. MURTHA.

H.R. 3825: Mr. RAMSTAD, Mr. SCHIFF, Ms. SCHAKOWSKY, Mr. SPRATT, Mr. FATTAH, Mr. GORDON, Mr. MCNULTY, Mr. PASTOR, Mr. LARSON of Connecticut, Mr. ARCURI, and Mr. HINOJOSA.

H.R. 3837: Mr. HOLDEN.

H.R. 3842: Mr. REYES and Mr. GRIJALVA.

H.R. 3851: Mrs. MYRICK, Mr. NEUGEBAUER, Mr. WAMP, and Mr. MCCAUL of Texas.

H.R. 3865: Mr. LATOURETTE.

H.R. 3873: Mr. BACA.

H.R. 3874: Ms. KAPTUR, Mr. WALZ of Minnesota, and Mr. MCNERNEY.

H.R. 3882: Mr. SPACE, Mr. SMITH of Nebraska, Mr. KINGSTON, Mr. ELLSWORTH, and Mr. MITCHELL.

H.R. 3887: Mr. PETERSON of Minnesota, Mr. DELAHUNT, Mr. PENCE, Mr. MORAN of Virginia, Mr. MCCOTTER, Mr. ALLEN, and Mr. SIMPSON.

H.R. 3890: Mr. MCCOTTER.

H.R. 3915: Mr. COHEN.

H.R. 3928: Mr. CUMMINGS, Ms. DELAURO, Mr. COURTNEY, and Mr. TOWNS.

H.R. 3934: Mr. CLEAVER, Mrs. EMERSON, Mr. KIRK, Mr. RAMSTAD, and Mr. KUHL of New York.

H.R. 3951: Mr. MCINTYRE.

H.R. 3953: Mr. HALL of New York.

H.R. 3965: Mr. BACA.

H.R. 3971: Ms. JACKSON-LEE of Texas.

H.R. 3979: Mrs. MCCARTHY of New York.

H.R. 3987: Mr. BILBRAY, Ms. ZOE LOFGREN of California, Mr. SCHIFF, Ms. RICHARDSON, Mr. DANIEL E. LUNGREN of California, Mr. DOOLITTLE, Mrs. TAUSCHER, Mr. HONDA, Mr. FARR, Mr. MCCARTHY of California, Mrs. CAPPS, Mr. GALLEGLY, Mr. MCKEON, Mr. SALAZAR, Mr. MACK, Ms. SOLIS, Ms. WATSON, Ms. ROYBAL-ALLARD, Mr. ROYCE, Mr. LEWIS of California, Mr. CALVERT, Mrs. BONO, Mr. ROHRABACHER, Mr. ISSA, and Mrs. DAVIS of California.

H.R. 3990: Ms. SCHAKOWSKY and Mr. BISHOP of New York.

H.R. 3995: Mr. CAPUANO and Mr. MORAN of Virginia.

H.R. 3999: Mr. ELLISON.

H.R. 4001: Mr. MELANCON.

H. Con. Res. 33: Mr. DELAHUNT and Mr. SIRES.

H. Con. Res. 176: Mr. ALEXANDER.

H. Con. Res. 202: Mr. HONDA.

H. Con. Res. 224: Mr. WYNN.

H. Con. Res. 237: Mr. SHAYS and Mr. SMITH of New Jersey.

H. Con. Res. 239: Ms. PRYCE of Ohio.

H. Res. 111: Mr. MACK, Ms. BEAN, Mr. BRADY of Texas, Mr. GALLEGLY, and Mr. KUHL of New York.

H. Res. 259: Mr. HINCHEY and Ms. FOXX.

H. Res. 335: Mr. DINGELL, Mr. BLUMENAUER, Mr. GORDON of Tennessee, Ms. ESHOO, Mr. STUPAK, Mr. DOYLE, Ms. HOOLEY, Mr. MATHESON, Mr. BUTTERFIELD, and Mr. MELANCON.

H. Res. 695: Mr. DAVIS of Kentucky, Mr. SMITH of New Jersey, Mr. FILNER, Mr. GERLACH, Mr. SOUDER, and Mr. JORDAN of Ohio.

H. Res. 731: Mr. ABERCROMBIE, Mr. ALTMIRE, Mr. BACA, Ms. BEAN, Mr. BISHOP of New York, Mr. BRADY of Pennsylvania, Mr. CAPUANO, Mr. CARDOZA, Mr. CARNAHAN, Mr. CROWLEY, Ms. DELAURO, Mr. DOYLE, Mr. FATTAH, Mr. GUTIERREZ, Mr. HOBSON, Mr. HOLDEN, Mr. INSLEE, Mr. JACKSON of Illinois, Mr. JORDAN of Ohio, Mr. KANJORSKI, Ms. KAPTUR, Mr. KIND, Mr. KUCINICH, Mr. LAHOOD, Mr. LANTOS, Mr. LARSON of Connecticut, Mr. MCGOVERN, Mr. MEEK of Florida, Mr. GEORGE MILLER of California, Mr. MORAN of Virginia, Mr. MURPHY of Connecticut, Mr. MURTHA, Mr. PASCRELL, Mr. RAHALL, Mr. RUPPERSBERGER, Ms. LINDA T. SÁNCHEZ of California, Ms. LORETTA SANCHEZ of California, Mrs. SCHMIDT, Mr. SHUSTER, Mr. SPACE, Mr. STUPAK, Ms. SUTTON, Mr. TANNER, Mr. TIBERI, Mr. TIERNEY, Mrs. JONES of Ohio, Mr. UDALL of Colorado, Mr. VISCLOSKY, Mr. WILSON of Ohio, and Mr. YARMUTH.

H. Res. 744: Mr. FILNER.

H. Res. 770: Ms. GRANGER, Mr. BRADY of Pennsylvania, and Mr. MCINTYRE.

H. Res. 772: Mr. PETRI.

H. Res. 777: Mr. MCGOVERN and Ms. FOXX.

H. Res. 783: Mr. CHABOT, Mr. COBLE, Mr. KNOLLENBERG, Mr. SHULER, Mr. PORTER, Mr. ISSA, Mr. CANNON, Mr. HAYES, Mr. GERLACH, Mr. STEARNS, Mrs. BOYDA of Kansas, Mr. LOBIONDO, Mr. CONAWAY, Mr. SULLIVAN, Mr. SOUDER, Mr. CARNEY, Ms. FOXX, Mr. BUCHANAN, Mr. DAVID DAVIS of Tennessee, Mr. KINGSTON, and Mr. HENSARLING.

H. Res. 784: Mr. BOOZMAN, Mr. BURTON of Indiana, Mr. CALVERT, Mr. CONAWAY, Ms. FALLIN, Mr. HUNTER, Mr. MCKEON, Mr. MILLER of Florida, Mr. SENSENBRENNER, and Mr. SHAYS.

H. Res. 785: Mr. BACA, Mr. BECERRA, Ms. BORDALLO, Mr. BARTLETT of Maryland, Mr. SKELTON, and Mr. COSTELLO.

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. Res. 106: Mr. Fortuño.